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Iraq Asserts Stark Was in War Zone

WASHINGTON — The Iraqi government, in a statement that conflicts with the U.S. version of the attack on the frigate Stark, told U.S. officials the ship was accidentally attacked because it was inside a war zone in the Gulf, Pentagon sources said Wednesday.

U.S. Sees Danger To NATO

Weinberger, In U.K., Cites 'Threat Within'

By Howell Raines New York Times Service LONDON — Defense Secretary Caspar W. Weinberger warned Wednesday that the North Atlantic Treaty Organization faced "threats from within" and called for strengthening the alliance to offset the "military and political power of the Soviet Union."



Tamils taken prisoner by the Sri Lanka Army were held under guard Tuesday in Jaffna.

Indian Flotilla Is Turned Back By Sri Lanka

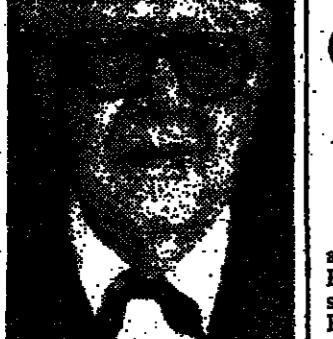
COLOMBO, Sri Lanka — An Indian relief flotilla that was heading for the Jaffna Peninsula in northern Sri Lanka has turned back after being confronted by Sri Lankan Navy vessels, a government spokesman said Wednesday night.

The Indian boats have turned back, said the spokesman, Tilak Ratnakara. "We were adamant that they cannot be allowed to come to Jaffna."

Kiosk Paris Resumes Terrorism Trial

PARIS (UPI) — The trial of three suspected members of the leftist French terrorist group Direct Action resumed under heavy security Wednesday, six months after it was stopped when one of the defendants threatened the jurors with "proletarian justice."

Segovia Is Dead at 94



Andrés Segovia, master of the classical guitar, left an imprint on music. Page 6.

GENERAL NEWS ■ Mathias Rust might have to face a trial for his "carefully prepared" flight to Moscow, a Soviet editor wrote. Page 2.

SPORTS ■ Boris Becker, Mats Wilander and Miloslav Mecir were quarterfinal winners at the French Open. Page 17.

BUSINESS/FINANCE ■ Norway's government is expected to propose Friday that it help run the Oslo stock exchange. Page 9.

■ The discovery of high herbicide levels in American cigarettes could threaten a U.S. trade effort in Japan. Page 9.

New Threat in Gulf

John Kifer of The New York Times reported from Kuwait: Iran, increasingly belligerent over Kuwait's effort to obtain superpower protection for its oil tankers, has supplied its Revolutionary Guards with a fleet of fast cabin cruisers, complicating the defense of Gulf shipping.

Depending on the tactics the Iranians choose to use, the vessels could pose significant danger to convoys of Kuwaiti oil tankers, which are expected to be escorted into the northern Gulf by U.S. warships starting in a few weeks.

The new fleet, operating from an island off the Iranian shore, consists of 40 cabin cruisers, deep-water craft used in deep-water racing. They were built in Sweden and ordered in 1984, ostensibly for anti-smuggling patrols.

The boats, which are 42 feet (13 meters) long, are powered by two diesel engines and can attain speeds of 55 mph (90 kph).

The fleet of cabin cruisers has been largely overshadowed, in military circles, by the U.S. Navy's new missile cruiser, the USS Zumwalt.

See GULF, Page 6

Change and Continuity at the Fed

Pragmatic Greenspan Arrives With Faith in Free Market

By Leonard Silk New York Times Service NEW YORK — President Ronald Reagan's decision to replace Paul A. Volcker with Alan Greenspan as chairman of the Federal Reserve Board comes at a crucial time for the United States and world economy and financial system — and with the 1988 presidential campaign just beginning.

The Greenspan appointment will mean both continuity and change at the U.S. central bank. Indeed, on the side of continuity Mr. Greenspan, like his predecessor, is seen as a man of professional competence, integrity and demonstrated pragmatism.

Nevertheless, Mr. Greenspan's appointment appeared to signal the desire of Mr. Reagan and some of his closest advisers for a change at the Fed. After long months of delay in news about his resignation, Mr. Volcker had every reason to conclude that the White House did not want him to continue. He was regarded there as too independent and too powerful.

Administration officials had said, in the days just before Mr. Volcker's announcement, that if he wanted the job he should come in and ask for it. But, as Eugene Bimbaum, a monetary consultant, put it, "Paul felt pride that he had never asked for any job in his life."

With his high standing in the international financial community and his reputation as the person who had, almost singlehandedly, ended high inflation in the United States, Mr. Volcker was not beholden to the president. Indeed, in acquiring the reputation of "the second most powerful man in the country" — not a great recommendation — Mr. Volcker may have seen the White House as a place where he could take up his own agenda.

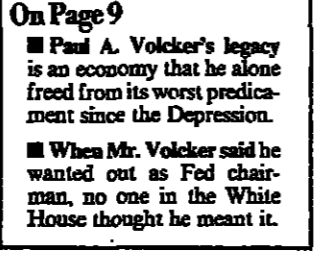
Some White House advisers feared that, with the presidency at stake, the Republicans would be taking undue chances if Mr. Volcker remained. Some worried that he might do what he had done in the final months of the Carter administration: raise interest rates in a way that jeopardized the growth of the economy.

Mr. Volcker lacked support not only in the White House but also, oddly enough, in the U.S. banking community. Some big commercial banks were opposed to him as being too resistant to deregulation of banking. Mr. Volcker has had serious misgivings about ending the separation of banking and commerce; he has not wanted to see large commercial corporations, such as Sears, Roebuck & Co. or General Motors Corp., enter commercial banking.

For his part, Mr. Greenspan believes that U.S. banking is undercapitalized, and when the huge Japanese banks are becoming dominant in the world, that American banking needs a greater infusion of new capital.

With his faith in free markets, Mr. Greenspan would have little or no difficulty over the repeal of the Glass-Steagall Act, which separates commercial from investment banking, or with the expansion of national banking by the big money center banks.

Some big bankers regarded Mr. Volcker as standing in the way of the evolution of the U.S. financial system. But some champions of Mr. Volcker, such as Henry Kaufmann of Salomon Brothers, the investment banking concern, resisted to



On Page 9 ■ Paul A. Volcker's legacy is an economy that he alone freed from its worst predicament since the Depression.

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AIDS Prejudice Called a Global Danger

By Lawrence K. Altman New York Times Service

WASHINGTON — The director of the World Health Organization's AIDS program has warned that the global epidemic of the disease had entered a third stage in which prejudice about race, religion, social class and nationality was spreading as fast as the virus.

"We are witnessing a rising wave of stigmatization against Westerners in Asia, against Africans in Europe, of homosexuals, of prostitutes, of hemophiliacs, of recipients of blood transfusions," Dr. Jonathan Mann said Tuesday at the Third International Conference on AIDS.

Further spread of the virus through the world is inevitable, Dr. Mann said, and fears of acquired immune deficiency syndrome have become "a direct threat to free

travel between countries and, more generally, to open international exchange and communication."

The Geneva-based health organization contends that such efforts as the screening of international travelers are of little value because

A U.S. AIDS vaccine project appears to fail. Page 6.

they are expensive and will not help to slow the spread of the disease.

It says these measures only detract from the main need: to use education to control the AIDS epidemic.

Nevertheless, the effort to screen various groups routinely for the AIDS virus has attracted considerable political support.

The U.S. Senate voted overwhelmingly Tuesday to require immigrants to be tested for the virus.

The newest stage, he said, is the economic, social, political and cul-

tural reaction and response to AIDS cases and infections with the virus.

"AIDS came on rapidly, but will not be controlled rapidly," Dr. Mann said. He added that the cost of containing the epidemic and coping with its toll would be in the billions of dollars, although he could not be more specific.

The World Health Organization, an agency of the United Nations, estimates that as many as 10 million people worldwide are infected with the AIDS virus.

The agency has mounted an expanding campaign to help scores of countries in Africa and elsewhere educate their people about AIDS risks, establish blood testing laboratories and take other preventive measures.

It is also promoting international sharing of data on the disease.

A spokesman at India's External Affairs Ministry in New Delhi said, "We are seriously concerned and deeply distressed that on one pretext or another, the Sri Lankan Navy is deliberately preventing the convoy from moving forward."

Tamils, who migrated from southern India and most of whom are Hindu, make up 18 percent of Sri Lanka's 15 million people. They claim discrimination by the majority Sinhalese, who are predominantly Buddhist.

Tamil separatists want an independent Tamil nation in northern and eastern Sri Lanka.

India has been trying to mediate a settlement to the civil war, launched by Tamils in 1983. The war has claimed about 6,000 lives.

Colombo has accused New Delhi of training and arming the guerrillas, who are based in exile in Tamil Nadu state.

■ Rebel Attack Reported

Tamil rebels claimed to have killed 100 Sri Lankan soldiers in an attack on an army camp in southwestern Sri Lanka on Wednesday, Agence France-Press reported from Madras, India.

The rebel group, the Liberation Tigers of Tamil Eelam, said it also captured three soldiers in the attack on the army camp near the Jaffna Fort garrison. It said many soldiers had been wounded.

Reports from Colombo have said only that three soldiers died in the attack, the first on an army installation since Sri Lankan troops ended a major offensive Monday against separatists in the Jaffna peninsula.



VENICE-BOUND — Ronald and Nancy Reagan leaving the White House on Wednesday to begin their trip to the Venice economic conference. Behind them is Vice President George Bush. Mr. Reagan is to meet with the leaders of six other nations.

Moët and Vuitton Plan Potent Blend

By Axel Krause International Herald Tribune PARIS — Moët-Hennessy SA and Louis Vuitton SA, makers of champagne, leather goods, and other necessities in the lifestyles of the rich and famous, said Wednesday that they plan to merge into an ultra-upscale empire in a transaction valued at 25 billion francs (\$4.1 billion).

The merger would be one of the largest in recent French history, and would form "a group covering all aspects of the high quality market and the art of French living," said Vuitton's chairman, Henry Racamer. With sales of 12.8 billion francs, the new company would be the sixth-largest on the Paris Bourse.

Moët, France's largest maker of champagne, produces Moët et Chandon and Dom Pérignon champagnes and Hennessy cognacs. It also owns the Christian Dior perfume business and Roc cosmetics.

Vuitton, until recently a small, family-owned house specializing in handmade luggage, has blossomed in the past three years into a Bourse favorite. Late last year it acquired a champagne house, Veuve Cliquot, and it has 15 percent stake in Guerlain perfumes.

The merger would be accomplished through an exchange of shares. Executives estimated the com-

panies' combined net profit for 1987 at 1.3 billion francs.

Also Wednesday, Moët announced that it had signed an agreement with Britain's Guinness PLC brewing group to link sales networks in such important markets as the United States, Japan and the Far East. The agreement brings together Moët's wines, champagnes and cognacs with Guinness' beers and Johnnie Walker whisky.

Alain Chevalier, chairman of Moët, said of the Vuitton agreement: "The merger of our two companies will create a world-class group far stronger united than as we are separately." Mr. Chevalier will become chairman and chief executive officer of Moët-Hennessy/Louis Vuitton SA.

"We are forming a group covering all aspects of the high quality market," said Mr. Racamer, who will become vice chairman and managing director of the new company.

Executives said the merger would "consolidate" the holdings of several families in both groups. The Vuitton family owns 57 percent of its company's shares and holds 70 percent of the voting rights. A group of families, including the Moët, Chandon, Mercier and Hennessy clans, owns about 23 percent of Moët's shares, with 36 percent of the voting rights.

The Palestinians: Bitter Are the Landless

By Patrick E. Tyler and Jonathan C. Randal Washington Post Service

AMMAN, Jordan — Twenty years ago, as Israel celebrated the expansion of its territorial domain, a sense of humiliation and despair hung over the Arab world.

The armies of Egypt, Jordan and Syria lay in ruins, the dream of strong and united Arab nations dominating northern Africa and the Middle East shattered beyond redemption.

But for more than 700,000 Palestinians, the disastrous war left them with the dilemma of living under Jewish occupation or fleeing as refugees from lands their ancestors had settled on or wandered over for two centuries.

Among the Palestinian refugees were citrus farmers from Jaffa and Lydda, shepherds from Tiberias on the shores of the Sea of Galilee. Their families were large and tradition-bound. Their sons and daugh-

ters were among the best-educated in the region.

Many of the prosperous fled the occupation. Some were able to relocate in Amman, the Arab capital across the Jordan River, and their numbers now account for 65 per-

cent of the country's population. Others resettled in the Gulf states, where their commerce and industry helped build the economies of Kuwait and Saudi Arabia.

Still others emigrated to Europe, Australia, Canada and the United States, in numbers estimated at five million today.

But roughly one in five had no option to leave, or chose to stay, to live under the Israeli occupation authority. They have clung to land

and businesses in the occupied territories. They remain defiant, bitter, caught in a perpetual cycle of disenchantment over efforts to restore the dignity and political independence they have always strived for.

The attitude of hard-line Israelis devoted to expanding Jewish dominion over what had been Arab lands was expressed by Golda Meir when she declared that there are "no Palestinians."

In the postwar Arab world, no issue has given voice to the Arab cause more than the fate of these landless and nationless people.

The 1967 war had been fought by Egypt, Syria and Jordan in their name, to destroy the Jewish state in the cause of Arab honor, rights and lands. And it has become an anniversary of humiliation in Amman, Cairo and Damascus, whose leaders at the time led the Arab nation against Israel.

Some Arab leaders cynically took the Palestinian mantle as a means of diverting their populations from pressing problems at home, including failed economies and domestic unrest. For these the Palestinian cause has been an opportunity for repression in a region

See ISRAEL, Page 7

See BRAZIL, Page 6

Table with subscription rates for various countries including Algeria, Argentina, Australia, Belgium, Canada, etc.

Page 5, Page 9, and other marginal notes.

From the Folks Who Brought You Live Aid, The Holy Father

By Elizabeth Kastor
Washington Post Service

WASHINGTON — Tony Verna had no trouble selling Live Aid. But the pope's prayer is something else.

His new production, "Prayer for World Peace," is a one-hour, worldwide program on which Pope John Paul II will say the rosary with an audience of 1.5 billion. It will be televised Saturday.

"With Live Aid, it was easier to explain," said Mr. Verna, who was the co-producer of the 1985 rock fund-raiser for famine victims in Africa. "Then I'd say, 'It's Mick and it's Tina and it's David Bowie.' Everyone understood that. How can people understand this?"

People will be "responding in five languages," he went on. "You're not going to believe the pictures."

"The Holy Father will finish," Mr. Verna said, "and bells will be ringing all over the world, people waving white handkerchiefs, the Holy Father, if he is so inclined.

waving back at them. I don't know — it chokes me up just to talk about it."

Mr. Verna served as executive director for Sport Aid, a weeklong series of sporting events to raise more money for famine victims. "That's active television," he said. "You can take the event to the people and the people to the event."

He also directed five Super Bowls for the American professional football championships and won an Emmy award as director of the 1984 Olympics in Los Angeles. He is now president of Global Media Ltd.

In January he dreamed up the idea of the papal prayer broadcast, which he said will be the most ambitious and complicated television TV program ever.

He approached the Vatican and proposed the date of June 6, which fell on the eve of the Marian Year, a 14-month period of prayer to the Virgin Mary for world peace.

"It was a great kickoff. I don't know his religious word," said Mr. Verna. "And this is a communications pope. He's very aware of the power of the media. If you're going to do something like this, this is the man to do it with."

While television viewers watch the pope and more than a million people in churches in 17 countries offer responses to the prayers via television, Mr. Verna will be in a control room in London.

He will be weaving together the pictures from 18 satellites, 30 transponders, 75 cameras and a thousand technicians, and responding to such inevitable crises as "Poland's got static!"

Mr. Verna is putting his crews through rehearsals and making mock-ups.

"They get scared," he said. "My crews, they freeze up because it's overwhelming. You see a million people in Paraguay and then thousands in Portugal. It's multiple screen images, and it can happen. I have to desensitize them."

In Washington recently to promote his prayer telecast, he sat on the edge of a

couch, clothed in a sleek suit. He bounced, he twisted, he leaned forward and back.

"I like doing these things more than talking about them," he said of his broadcasts, but he seems to be having no trouble. He is Roman Catholic, but he said his religious beliefs were private and his technical wizardry non-denominational.

"I would do this for the Jewish faith, the Zulus — you tell me who."

During the program, the pope will recite the rosary in Portuguese, French, Spanish, German and English, and there will be brief scripture readings in modern Greek, Polish, Russian and Arabic.

The prayer will be carried on at least 114 stations in the United States, about 40 percent of which have donated air time.

Where there is no television coverage in the United States, people will be able to call a phone number and hear the proceedings for a cost of about \$21 for the hour. Communications students will be able to call another number and listen to Mr. Ver-

na's control-room directions. The broadcast will be received in 10 Latin American nations, 6 in Western Europe and 6 in the Asia-Pacific region, as well as in North America. In Eastern Europe, only Poland will participate, and in Africa, only Senegal.

"England is only 5 percent Catholic," Mr. Verna said, "and they're not picking it up. So you know what I'm doing? I'm sending it into the churches and the faithful can see it on monitors, just like a closed-circuit fight. Why should I be held back by the BBC?"

"Prayer for World Peace" is expected to cost more than \$2 million. The Bic Corp. is the underwriter and Lumen 2000 International, a foundation that supports Christian broadcasting, has also provided funding.

Global Media will pick up the rest of the cost, which Mr. Verna hopes will be covered by a video and commemorative book that comes out of the program.

Beirut Editor Says 2 West Germans Seized in Lebanon Will Be Freed Soon

BEIRUT (AFP) — Two West German hostages kidnapped in Lebanon in January will be released "very soon" through Iranian intervention, in January will be released "very soon" through Iranian intervention, Hassan Sabra, the editor of the Beirut weekly Ash Shaara, said Wednesday. His newspaper was the first to publish the reports of secret U.S. arms sales to Iran.

The Germans will be freed, he said, because Bonn had told Tehran it would extradite to the United States a suspected Lebanese terrorist, Mohammed Ali Hamadeh.

Mohammed Ali Hamadeh, said Mr. Sabra, a Shiite Moslem with close contacts with Iran's leaders, said Iran "is the key to the problem, and no hostage will be freed until Iran's demands are met."

He said the Iranian leader, Ayatollah Ruhollah Khomeini, had named a five-man committee to monitor the fate of two Khoreini, had named a five-man committee to monitor the fate of two Americans and three French held hostage in Lebanon.

Iran, Mr. Sabra said, seeks the release of billions of dollars in Iranian assets frozen in U.S. accounts and more U.S. arms shipments to Tehran. He said, must solve a financial dispute with Iran and end its military support of Iraq.

Belgium Won't Replace Nike Missiles

BRUSSELS (Reuters) — Belgium reaffirmed Wednesday that it would not replace its aged Nike air defense system when the missiles are phased out in the next three years, despite protests from its allies in the North Atlantic Treaty Organization after the decision was first announced last week.

A Defense Ministry spokesman said a cabinet meeting had confirmed that, because of austerity measures, Belgium would be unable to buy the replacement system of Patriot missiles when it dismantles its four Nike ground-to-air missile batteries in West Germany.

The missiles, which have a 90-mile (145-kilometer) range and can carry either nuclear or conventional warheads, were deployed in the late 1950s and are now regarded as almost obsolete. But they fulfill a Belgian commitment to ensure the air defenses of a 40-mile stretch of West German territory against high-altitude bomber attack.

Christian Democrats Gain in Italy Poll

ROME (AP) — The Christian Democrats, long Italy's dominant party, have overtaken the Communists in a poll published Wednesday, less than two weeks before parliamentary elections.

The Telemark poll in La Repubblica, Italy's second-largest newspaper, shows former Prime Minister Bettino Craxi's Socialists, the perennial third party, possibly making major gains, which would strengthen their claim to play a decisive role in forming the next government.

President Francesco Cossiga scheduled elections for June 14-15 after a long political stalemate caused by the collapse of Mr. Craxi's five-party coalition, which governed for more than three years.



Sir Joh Bjelke-Petersen announcing in Brisbane on Wednesday his withdrawal from the Australian elections.

Queensland Leader Is Out of Election

SYDNEY (Reuters) — The Queensland premier, Sir Joh Bjelke-Petersen, formally withdrew Wednesday from next month's Australian federal elections, saying that he wants to preserve unity in his National Party and build a common front of conservative forces against Prime Minister Bob Hawke of the Labor Party.

Sir Joh, the maverick rightist leader, and John Howard, leader of the Liberal Party, met Wednesday for the first time since the breakup two months ago of the 40-year coalition and pledged to cooperate. They said that the differences in their party's policies should not be allowed to stand in the way of defeating the Hawke government.

Mr. Hawke called for elections to be held on July 11, eight months before the end of his three-year term, after accusing the opposition parties of frustrating efforts to revive the economy. The re-establishment of the Liberal-National coalition could make the July 11 elections close, political analysts said.

Likely Nakasone Successor Emerges

TOKYO (Reuters) — Former Finance Minister Noboru Takeshita emerged Wednesday as the front-runner in the race to succeed Prime Minister Yasuhiro Nakasone later this year, political analysts said.

Mr. Takeshita, 63, won the support of 118 fellow members of the governing Liberal Democratic Party, giving him the upper hand in the fight to control the party's largest faction and become Japan's next leader, analysts said.

Four senior members of the governing party are jockeying to succeed Mr. Nakasone: Mr. Takeshita, former Foreign Minister Shintaro Abe, Finance Minister Kiichi Miyazawa and Susumu Nakaido, the former party vice president.

For the Record

Nancy Pelosi, a Democrat, scored an easy victory Tuesday in the special runoff election to fill the congressional seat in San Francisco left vacant by the death in February of Representative Sala Burton.

Leaders of South Korea's governing Democratic Justice Party endorsed President Chun Doo Hwan's choice of his close aide, Roh Tae Woo, as its candidate for this year's presidential election, a party spokesman said Wednesday.

Prime Minister Zhao Ziyang left on a trip to East Europe on Wednesday. In departure remarks, Mr. Zhao said that he would give up either his post as prime minister or as acting Communist Party leader this fall. He said he has "an overload of work."

TRAVEL UPDATE

FAA Suspends a N.Y. Copter Shuttle

WASHINGTON (AP) — The Federal Aviation Administration has suspended helicopter shuttle service flights between Newark and Kennedy airports and a Manhattan heliport operated for Pan American World Airways by Omniflight Helicopter Services.

The emergency order cited the company for operating the aircraft in a "careless or reckless manner." The agency said Omniflight was operating as a regularly scheduled commuter service while it was only certified to operate as an "on-demand" air taxi service. The regulations for commuter airlines are significantly stricter than those for air-taxi services.

The agency said that Omniflight's pilots and first officers had not completed competency tests for commuter flights. It said the company did not keep adequate records and it operated helicopters even though it did not have an approved training program for commuter air service. The company also did not have the proper aviation charts on hand for its pilots, the agency said. The company has 10 days to appeal the order.

The Venice airport will be closed to normal traffic as part of security precautions at next week's conference of the leaders of the major industrialized nations, officials said Wednesday. Flights will be diverted to Treviso, 20 miles (32 kilometers) from Venice.

A Townsend Thoresen ferry was grounded on a sandbank as it approached the Northern Ireland port of Larne on Wednesday on its daily crossing from Scotland. A company spokesman said no one was in danger aboard the ferry, the Ionic. A tug was called in to free it.

U.S. airlines will be required to carry protective breathing equipment for flight attendants to put out fires, Transportation Secretary Elizabeth Dole said Wednesday. The attendants are to be trained in fighting fires while wearing the equipment.

Rust Might Face a Trial For 'Carefully Prepared' Trip, Soviet Editor Says

Reuters

MOSCOW — The teen-age West German pilot who landed a light plane near Red Square last week will have to face the law, a senior Moscow journalist said Wednesday in giving the first detailed account of the exploit.

The commentary by Yegor Yakovlev, editor in chief of the weekly Moscow News, was the strongest indication that Mathias Rust, 19, would go on trial for his exploit. It was also the first mention that the pilot had landed his light Cessna near the Kremlin wall.

Previously, the Soviet media had said only that Mr. Rust landed in Moscow. This omission was a notable gap in the *glasnost*, or openness, policy advocated by the Soviet leader, Mikhail S. Gorbachev.

Mr. Rust, who is being held in Lefortovo Prison in Moscow, is under investigation by the Soviet prosecutor's office. He entered Soviet airspace over Estonia during a flight from Helsinki and landing near the Kremlin on Thursday.

If found guilty of violating Soviet airspace, he could face up to 10 years in prison.

West German authorities pressed their diplomatic efforts Wednesday to secure the release of Mr. Rust. A spokesman in Bonn said the embassy in Moscow was working intensively toward finding a solution, but gave no details.

The spokesman said Mr. Rust had said nothing about his motives to embassy officials who visited him Monday in prison. The spokes-



Alice Vansteenberghie being aided as she arrived Wednesday to testify at the Barbie trial.

Barbie Witness Describes Roundup

By Julian Nundy
International Herald Tribune

LYON — The court trying Klaus Barbie heard allegations Wednesday that he organized the final train from occupied Lyon to the Nazi death camps in August 1944.

The allegations were the last of the major ones against the former SS officer being heard at his trial on charges of crimes against humanity. The prosecution contends Barbie rounded up 650 people, Jews and members of the French Resistance, as the Allies advanced on the city.

Alice Vansteenberghie, 78, a doctor who was in the Resistance, said she had seen Barbie rounding up prisoners in Montluc prison on Aug. 11, 1944, for transport to Auschwitz.

Lyon was liberated on Sept. 5, little more than three weeks later. The train, according to survivors who traveled on it, took nearly two weeks to reach its destination after zig-zagging through eastern France to avoid the advancing armies.

The organization of the convoy is considered by lawyers representing victims of Nazism in Lyon as a particular sign of devotion to the Nazi cause at a time when the Germans were preparing to evacuate the city.

Dr. Vansteenberghie, who said she had been arrested on Aug. 5, 1944. She described being tortured, first by "a blond colossus" who tore out her fingernails and then by a team that included Barbie. She had identified Barbie in pretrial testimony.

Entering on crutches Wednesday, she said that the beatings she received broke five vertebrae. She said that she had not been able to walk normally since.

She said she had studied Barbie closely for physical details that he would not be able to hide after the war "even if he had a facelift." She identified these as a defect on his left ear and a mannerism of spreading his little finger.

On Aug. 11, 1944, she testified, she saw Barbie through the peephole in her cell door as prisoners were gathered for the journey to Auschwitz.

Barbie, who was not present in court, may be brought by force to confront witnesses who have not met him in pretrial investigations later this week, probably Friday, court officials said.

Barbie left his trial on May 13, the third day of the hearing because he says his 1983 expulsion from Bolivia to France was illegal. He was brought into court for 20 minutes on May 26 for a similar encounter, breaking with usual French legal practice.

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On Aug. 11, 1944, she testified, she saw Barbie through the peephole in her cell door as prisoners were gathered for the journey to Auschwitz.

Barbie, who was not present in court, may be brought by force to confront witnesses who have not met him in pretrial investigations later this week, probably Friday, court officials said.

Barbie left his trial on May 13, the third day of the hearing because he says his 1983 expulsion from Bolivia to France was illegal. He was brought into court for 20 minutes on May 26 for a similar encounter, breaking with usual French legal practice.

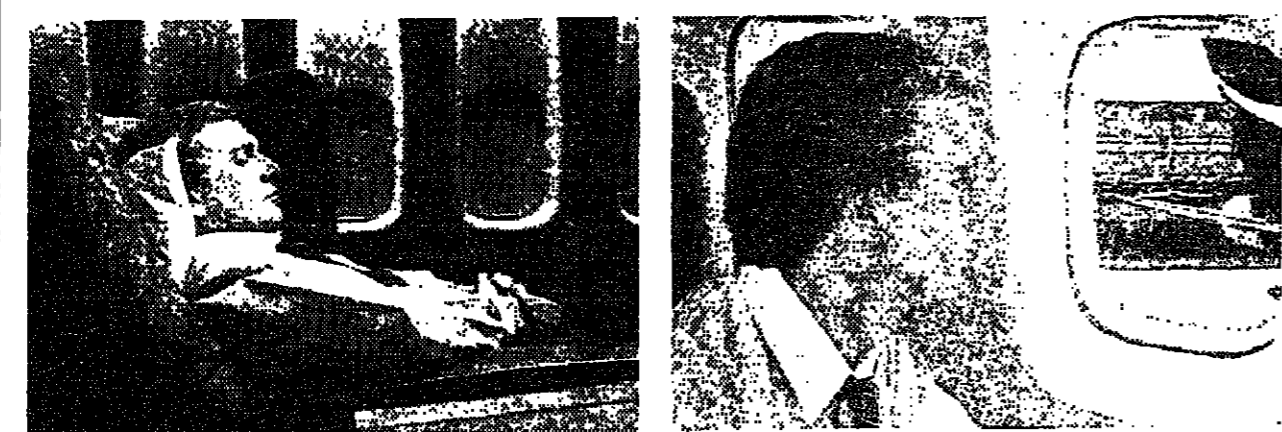
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Nepalese Parliament to Meet

KATMANDU, Nepal — King Birendra has scheduled the annual session of the Rasthriya Panchayat, Nepal's 140-member unicameral parliament, for June 17, the royal palace said Wednesday.

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Irish Officer Killed

Police reported that two gunmen on Tuesday shot and killed an off-duty policeman from Northern Ireland who was visiting his parents in Drumkeen, County Donegal, in the Irish Republic, The Associated Press reported from that town. The IRA claimed responsibility for the killing. Britain's Independent Television News reported.

Nepalese Parliament to Meet

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Take 26-

SCORE

BASKET

BATH

TRANS

Handwritten Arabic text: كذا كذا كذا

Forged U.S. Documents Are Said to Complicate Nation's Foreign Policy

By David K. Shipler
New York Times Service
WASHINGTON — The State Department has reported that forged U.S. government documents are being spotted increasingly and in higher quality in various parts of the world, with adverse effects on U.S. foreign policy.

At a news conference Tuesday, Kathleen C. Bailey, a deputy assistant secretary of state for intelligence and research, made public several documents she said were forgeries. Among them was a memorandum bearing what appears to be President Ronald Reagan's signature that calls for the creation of a Latin American military force to contain Soviet expansion.

At UNESCO, Sadruddin Is A U.S. Choice

WASHINGTON — Prince Sadruddin Aga Khan has emerged as a favorite among U.S. officials to become the next director-general of UNESCO.

The memorandum, typed on what appeared to be White House stationery, was brought to Washington's attention by a Latin American government that wanted to know if it was authentic, Miss Bailey said.

Prince Sadruddin served as UN high commissioner for refugees from 1965 to 1977. His nephew, the current Aga Khan, is the spiritual leader of millions of Moslems of the Ismaili sect, largely in India, Iran and Kenya.

To a casual reader, the document appears authentic. But, Miss Bailey said, its grammar and syntax betray its author as someone who is not a native speaker of English. The memorandum, which is addressed to the secretaries of State and Defense and the director of Central Intelligence, calls for "a new U.S. program toward the region of which the central feature must be the establishment of Inter-American Permanent Peace Forces."

American support would be important for Prince Sadruddin since the United States, along with Britain, withdrew from the United Nations Educational, Scientific and Cultural Organization in part because of dissatisfaction with the leadership of the present director-general, Amadou Mahtar M'bow of Senegal.

Another document was a purported letter from Mayor Martin S. Barry Jr. of Washington in which references were made to supposed official U.S. support of certain political candidates in Haiti. Again, Miss Bailey said, the style of the language suggested that the author was not a native English-speaker.

UNESCO's governing board is considering about 20 candidates to replace Mr. M'bow when his term expires at the end of this year. The board is to vote in October.

For example, the writer rendered the return address incorrectly, misspelling the "N.W." that signifies the northwest quadrant of Washington. It is normally placed after the street name; in this document it was written, "N.W. Wash. D.C."

A U.S. Lawmaker Faces the Pain of Disclosing Homosexuality

By Linda Greenhouse
New York Times Service



Barney Frank

WASHINGTON — On paper, Representative Barney Frank's decision to go public last week about his homosexuality ought to have been relatively painless.

Several factors contributed to his decision to bring an end to years of deflecting questions about his homosexuality, he said. One was the heightened public scrutiny to which the private lives of all politicians is now being subjected — most prominently in the case of Gary Hart, whose presidential candidacy collapsed after reports were published that he had spent time with a Florida woman.

Globe, a question that he knew would come someday from somewhere and that he had steered himself for after long periods of introspection and discussions with friends and colleagues.

Mr. Frank, 47, discussed his decision and its consequences in an interview in his office in the Longworth House Office Building. He received many interview requests after The Globe's front-page article on Saturday, and turned many down, including one from Playboy Magazine.

He said: "I said I didn't want to be in Playboy, and they said, 'Oh, but we also want your views on the issues.' I said, 'Why didn't you ask me for my views on the issues last week?'"

Questions were likely to increase, not diminish, Mr. Frank knew. Another factor was the death from AIDS last month of a respected colleague, Representative Stewart B. McKinney, Republican of Connecticut. Mr. McKinney's physician asserted that his patient had contracted the disease from a blood transfusion, leaving it to newspapers to report that Mr. McKinney was known to colleagues to have been homosexual.

Mr. Frank said he had decided not to expand upon his disclosure by talking about the details of his private life. But Mr. Frank, who is unmarried, did say that for much of his career he kept himself too busy with professional commitments to have a private life.

Dukakis Gets Backing of Many of Hart's Key Campaign Aides

By E.J. Dionne Jr.
New York Times Service

WASHINGTON — Governor Michael S. Dukakis's presidential campaign has won the backing of key supporters of Gary Hart, including Paul Tully, who had been Mr. Hart's national political director.

While other Democratic hopefuls expect to pick up some of Mr. Hart's supporters, key Hart backers who have not made up their minds said Tuesday that they were leaning toward Mr. Dukakis.

Other Hart supporters who said that they had shifted to Mr. Dukakis included Eli Segal, Mr. Hart's national finance chairman; Margaret Atkinson Herrick, an organizer in Ohio; and two fund-raisers, Philip Scafeer of San Francisco and Gary Rubin of Des Moines.

Two other key Hart lieutenants, Teresa Vilmain, who was his Iowa campaign manager, and Joseph P. Trippi, his deputy national political director, are actively considering working for the Dukakis drive.

Violence Mars Berlin Rally
The Associated Press
BERLIN — About 300 people smashed shop windows in West Berlin on Tuesday night after a rally marking the 20th anniversary of the police shooting of a student. Groups of youths went on a rampage along the fashionable Kurfir- stendamm and several arrests were made, the police said.

Canada Reaches Accord on Quebec

OTTAWA (Reuters) — Canada's political leaders unanimously agreed Wednesday to bring Quebec into the Canadian constitutional family five years after the federal government and the other nine provinces signed the Constitution Act.

Prime Minister Brian Mulroney and the 10 provincial premiers reached the agreement after a session that began Tuesday morning and continued without interruption until dawn Wednesday.

Quebec had refused to sign the new Canadian Constitution under the separatist Parti Québécois government led by René Lévesque in 1982. But the succeeding Liberal government under Premier Robert Bourassa expressed its willingness to negotiate.

Prime Minister Brian Mulroney and the 10 provincial premiers reached the agreement after a session that began Tuesday morning and continued without interruption until dawn Wednesday.

Legal Hocus-Pocus in Ho-Ho-Kus

French Chef Is Burned by City's Rejection of Outdoor Café

By Michael Winetrip
New York Times Service

HO-HO-KUS, New Jersey — Claude Bailla, the French chef who runs the elegant restaurant in the 18th century Ho-Ho-Kus Inn, must have just the right food for the moment. He gets his crabs overnight from Maryland, his snails by United Parcel Service from Oregon. When morals came in season, he had his public relations firm send out a press release to all food writers that began: "MEDIA ALERT — APRIL SHOWERS BRING FRESH MORELS TO THE HO-HO-KUS INN!"

He grew up in France, then voyaged to America, serving at some of New York's most famous restaurants — Lutèce, Laurent, The Four Seasons. Two years ago he took over the inn in this wealthy suburb, spending \$200,000 to refurbish it. Prices are New York-style — \$50 per person is not unusual — but the people of Ho-Ho-Kus responded. Business tripled.

Then last fall, the French chef had a vision *magifique*: An outdoor café for the inn, like the ones that line the boulevards in Paris and Aix-en-Provence. "Where I grew up," the chef said, "everyone eats outdoors. People live outdoors." He spent \$50,000 laying a brick patio and hoped to open by Easter.

He never suspected he was about to break the Ho-Ho-Kus law. On page 8,530 of the zoning code, in the middle of a long list of things prohibited in Ho-Ho-Kus (junkyard, phrenology, astrology, jumpyards, pool halls), is a prohibition on eating outdoors in Ho-Ho-Kus you may not operate "drive-in restaurants or other eating places such as lunch wagons, diners or road stands or any eating place rendering service other than inside the premises."

Mr. Bailla was stunned. Lunch question has to be asked, "Is it for the public good?" Many have answered, "But of course!" Members of the local civic group, fresh from planting petunias downtown, are heavily pro-café. "It would give Ho-Ho-Kus a European flavor," said Dot Jenkins.

And Gerard Guarente, who runs a local liquor store, said, "Having lunches outside would help the ambience around here, or whatever you want to call it."

In a spirited pro-café editorial, The Suburban News wrote, "To compare an aperitif or salad eaten under burgundy umbrellas on the patio of the inn with a chili dog is ludicrous."

There is an anti-café faction, of course. One man said, "You can't do it in Jersey. The state health department will never go for it because of flies."

And a man identified in zoning board minutes as Mr. Painter said that serving liquor outdoors would create a bad image for Ho-Ho-Kus's young.

Mr. Bailla's supporters contend that the café will have no impact on the young; they say that during café hours the young will be busy at home watching violence on television.

On Thursday night, the chef will go before the board again. He will try to be reasonable. "If they want me to close the view," he said, "we could put up a lovely white trellis. No problem."

Meanwhile, he doesn't know what to tell his customers who ask about the café. Or his relatives who call from France and ask what sort of place is this Ho-Ho-Kus, where people eat indoors in the spring.

Mr. Bailla has promised a café menu that would make Ho-Ho-Kus proud. Some cappuccino, a glass of wine, perhaps a little *gâteau au chocolat à l'orange*. "Maybe a little fast food — like cold salmon," he said.

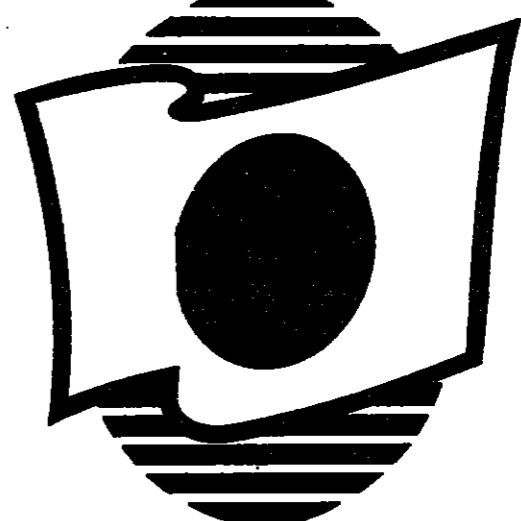
The borough attorney was firm. "Under the law," he said, "the



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U.S. Aide Held in Visa Fraud

The Associated Press

WASHINGTON — A former senior diplomat at the U.S. Embassy in Madrid has been charged with conspiring to sell false U.S. entry visas to Iranians.

Bernard J. Fennell, former first secretary and consul at the Madrid embassy and its anti-fraud officer, was named in a 21-count indictment. It charged he participated with six others to sell the false visas to Iranians living in Europe.

The indictment, returned by a U.S. grand jury in Miami, was unsealed Monday after Mr. Fennell was arrested in Washington by State Department agents.

Mr. Fennell, who supervised the visa operation at the Madrid embassy, was to appear Wednesday before a U.S. magistrate in Washington.



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Herald Tribune

Greenspan Moves In

Exit a Good Chairman

Paul Volcker has repeatedly rescued the Reagan administration from the worst consequences of its economic mistakes...

White House regarding the exciting things that would happen when the Reagan votes got control of the board...

Reassuring Succession

If the Federal Reserve Board has to have a new chairman, President Reagan could not have made a better choice than Alan Greenspan...

soaring dollar and the Third World debt crisis. Reagan has always been ambivalent about this Democrat appointed by President Carter...

Bonn Goes for Zero

West Germany has removed a major potential barrier to the administration's first nuclear arms control agreement with the Soviet Union...

and the record — to rebut these contentions, and it did. What carried the day in Bonn, however, was the judgment of Foreign Minister Hans-Dietrich Genscher...

Other Comment

Add the Gulf to the Agenda

Next week's economic summit in Venice now seems bound to devote almost as much time to the situation in the Gulf as to the state of the world's markets...

those circumstances, it would obviously be both practical and sensible for Britain, France and any other European country with a naval presence to cooperate with America...

INTERNATIONAL HERALD TRIBUNE

JOHN HAY WHITNEY, Chairman 1938-1982
KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER
LEE W. HUEBNER, Publisher

Forward to a Treaty, but Problems Remain

OPINION

No, Reagan Isn't Much Like Maggie

By Gerard C. Smith

WASHINGTON — West Germany's acceptance of the Soviet Union's proposal to eliminate shorter-range missiles in Europe...

Western Europe would be tantamount to an attack on the United States. Nonetheless, inconsistencies in the Reagan administration's arms policies...

This prospect not only increases the chances of an escalation of the strategic arms race but also undermines the military strategy of deterrence upon which the NATO alliance has been based...

ment to other agreements that bear on their security? The attempt to evade obligations under the ABM treaty does serious damage to U.S. credibility on the international scene.

By Anthony Lewis

A treaty on intermediate-range nuclear forces could be worth far more than its terms suggest.

Intermediate-range nuclear forces would propel NATO down a slippery slope of "denuclearization," thereby making a Soviet attack or intimidation of European countries more likely...

Such fears are exaggerated. The likelihood of a Soviet attack, even without nuclear weapons in Europe, is very low. An agreement on medium-range forces would leave NATO with more than 4,000 nuclear weapons...

president has eliminated the only existing limits on strategic offensive arms (intercontinental missiles, cruise missiles and heavy bombers). Thus the Soviet Union could merely add to its long-range forces while honoring its commitments to eliminate medium-range weapons...

The way the United States responds to these inconsistencies in its arms control policies is more important than how it resolves the remaining issues in the INF talks...

Alternatively, the president and his advisers, faced with the prospect of an INF treaty, might engage in a serious effort to speed up the process...

LONDON — Margaret Thatcher and Ronald Reagan are often discussed as if they were political twins. They do have ideology in common...

Civil servants say Mrs. Thatcher is genuinely interested in facts.

is Miss Know-It-All, a nanny about to spank her charges unless they shape up and learn their lessons...

Lebanon: The Killing Field of the Middle East

By Farid el-Khazen

BEIRUT — Twelve years of war have produced a horrid scene of death and destruction in the Middle East. There are the chronically depressed, and the diehard optimists who cling to whatever hope is left amid Lebanon's ruins...

less abortive security plans, the opening of airports and the closing of gambling facilities. The average person perceives that developments in Lebanon continue to preoccupy the world, particularly the superpowers...

One aspect of violence is certainly purposeful. The kidnapping of Westerners in West Beirut is the most politicized form of violence Lebanon has known during the war...

Clearly, these are not the deeds of free-lance terrorists or fanatics shouting "Death to America." Kidnappers in Beirut are hired for their skills...

Detail may be the most striking difference. Mr. Reagan's "management style," as the Tower commission politely called it, is to set only the broadest outline of policy, leaving the rest to his subordinates...



The writer teaches politics at the American University of Beirut. He contributed this comment to The Washington Post.

Ripples From Fiji Unsettle the Pacific and Beyond

By Roderic Alley

WELLINGTON, New Zealand — Since he stunned Fiji, the rest of the South Pacific and the Commonwealth with his bloodless coup on May 14, Lieutenant Colonel Sitiveni Rabuka's grip has tightened...

office pledging a new deal for the lower paid of both races. It also said it would investigate alleged corruption in the outgoing Alliance party, a coalition of Melanesians, Indians and Europeans...

From his political base in the west of Fiji's main island, Mr. Rabuka is boycotting the interim administration he was invited to join. At the same time, he is attempting to deal with the governor-general, whom he suspects is more sympathetic to the aims of the coup...

— Papua New Guinea, Vanuatu and the Solomon Islands — has warned against outside interference in Fiji's affairs, and this has struck a sympathetic chord among small island states.

She will probably win, because she is lucky in having a divided opposition. The Tories are polling just above 40 percent, with the rest split between Labor and the centrist Alliance...

INTERNATIONAL HERALD TRIBUNE

JOHN HAY WHITNEY, Chairman 1938-1982
KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER
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IN OUR PAGES, 75 AND 50 YEARS AGO

1912: A Boy Aviator MILWAUKEE — Farming T. Fish, a boy aviator, flew here from Chicago recently in a Wright biplane, carrying a consignment of silk for a department store...

1937: The Duke Marries LONDON — There was a deathly silence in the House of Commons when Jock McGovern, Independent Laborite, said: "May I ask the Prime Minister if the government has already decided or if not it is considering sending a message of congratulations to the Duke of Windsor on his wedding?"

Handwritten Arabic text at the bottom of the page.

OPINION

This AIDS Debate Needs A Needle of Straight Talk

By George F. Will

WASHINGTON — Earnestly, and with applause from journalists, politicians are saying about AIDS: candid, regardless of the cost. But truths are being blurred because they inconvenience a political agenda and shock sensibilities. The agenda is to avoid giving offense to certain factions and to avoid something more terrifying than AIDS — the accusation of "discrimination."

Despite much talk about a "breakout" into the general heterosexual population, AIDS will probably remain predominantly a disease of homosexuals and intravenous drug users. It will increasingly afflict educated, information-receptive homosexuals. It already is disproportionately, and will increasingly be, a disease of inner-city blacks and Hispanics.

Blacks and Hispanics, who are 11 and 8 percent of the American population respectively, are 25 and 14 percent of AIDS patients. Those percentages will probably rise, because AIDS is a behaviorally based disease and will disproportionately afflict those inner-city classes least efficient at acquiring and acting on information. After all, many people are caught in the culture of urban poverty precisely because they lack basic skills of social competence. They do not regulate their behavior well, least of all in conformity with public health bulletins.

Americans have a technology fixation generally. Regarding health, their thinking is shaped by the polio paradigm, the conquest of disease by Dr. Jonas Salk's silver bullet. But America's principal public health problems flow from foolish behavior regarding eating, drinking, smoking, driving — and, with AIDS, abuse of the body, especially the rectum. Most journalism about AIDS reflects social and political squeamishness. In addition to an understandable reluctance to discuss certain sexual matters, journalism is infused with liberal values, including abhorrence of "discrimination." That is understood indiscriminately to include all invidious distinctions among social groups, particularly those, such as homosexuals, that have a history of being badly treated.

Coercion Isn't the Answer

THE disease is fatal, it has no cure or even a successful treatment and it is communicable. Worse, it is heavily stigmatized by prejudice toward homosexuality. In a situation of panic, and with an easily identifiable scapegoat group available, people grasp at what seem to be simple and clear-cut answers. The assumption is intuitively made that forced testing will be effective in preventing the spread of the AIDS virus. In fact, mandatory testing would only drive people away from health authorities.

— Ira Glasser in *The New York Times*.

Journalism seems reluctant to clarify that the primary reason for the epidemic is that the rectum, with its delicate and absorptive lining, is not suited to homosexual uses. We need unsparing journalism of the sort found in the *Chicago Tribune Magazine* of April 26: "81.5 percent of the second cluster of AIDS patients had engaged in the practice called 'fisting,' which causes social trauma, in the years before they fell ill. The researchers defined fisting as the insertion of a portion of the hand — or even the entire fist — into the anus of another person. The 27 men studied had a median of 120 sexual partners during the year before the onset of symptoms, with one man reporting up to 250 sexual partners in each of the three years before symptoms."

Without here adding details about filth and coenas, suffice it to say that the data suggest that receptive anal intercourse is the major, if not the only, important exposure by which homosexuals acquire the infection. Of course, not all homosexuals are promiscuous or given to high-risk behavior. However, even some who are not are dismayed by dissemination of information about those who are. And insufficient information about homosexual practices has impeded understanding of the epidemic.

Time and energy is being wasted on the political project of spreading the false message that the epidemic is not assignable to particular minorities. British billboards proclaim "AIDS Doesn't Discriminate," a message designed to absolve homosexuals and addicts of disproportionate responsibility for the epidemic. In New York, print ads portray a heterosexual couple tangled in sheets, with these words: "Bang, You're Dead!" Such ads are a disservice to the extent that they distract attention from the fact that fewer than 4 percent of AIDS cases have resulted from heterosexual contact.

The rate of heterosexual transmission is rising primarily among black and Hispanic teen-agers whose sex partners are intravenous drug users. New York has a third of all AIDS cases; 36 percent of the city's cases are intravenous drug users. Half of its 200,000 addicts are thought to be infected with the AIDS virus.

Of course anyone with AIDS deserves care and compassion. Of course testing is acceptable, if only marginally important, for applicants for marriage licenses and citizenship, and for prisoners. But while it is politically safe and socially soothing to pretend that AIDS is a democratic disease threatening all equally, that is false.

So is the notion that the most urgent task is to fund research for a vaccine. Of course research should be funded generously, but dollars spent getting addicts off needles and onto methadone will do more good, as will journalism that does not trim the truth to spare our feelings.

— *Washington Post Writers Group*.



Friendliness Out There?

In response to "Experts Tell Why Stark Was Vulnerable" (May 23):

The revised operational rules in the Gulf, permitting patrolling U.S. warships to shoot at potentially hostile aircraft before the "whites of the pilot's eyes" come within range, will not reduce the risk of more American service wives and families becoming peace-time mourners, as have the hapless relatives of the 37 servicemen aboard the *Stark*.

The root of the trouble is the naïveté that America continues to show by failing to comprehend the need for a global, around-the-clock, military alertness. The same naïveté made mourners of the families of 241 servicemen in Beirut, when local commanders in 1983 failed to protect the headquarters of the U.S. peace-keeping force with a truck- and tank-proof perimeter trench that would have blocked penetration of the compound by a bomb-laden terrorist truck.

Naïveté also stripped U.S. national defense of a mother lode of German military research on missiles, jets, optics, electronics and nuclear energy applications, captured by General Patton's 3d Army when it seized a top-secret SS-run research facility at Flisen two days before the German surrender on May 8, 1945. The seeds of today's anti-missile technology were handed over to the incoming Red Army a week later, in violation of directives to rush all sensitive material to U.S. intelligence. Those lost secrets reportedly included advance research on the already highly successful forerunner of today's Exocet, a homing missile. It was first fired operationally in April 1944, six weeks before D-Day, by a formation

LETTERS TO THE EDITOR

of German E-boats which had penetrated English territorial waters, swooping on an undefended U.S. flotilla rehearsing the Normandy invasion and killing or wounding 630 U.S. servicemen in 15 minutes. The marauders were never caught.

The assumption of reciprocal friendliness, which some cite as the reason the *Stark* did not use its anti-missile decoy system and had failed to switch its electronic anti-missile equipment to automatic, will continue to be out of place until touring presidents and prime ministers no longer need swarms of armed bodyguards, and the "pope-mobiles" can be relegated to museums.

TOM AGOSTON,
Hamburg.

Terrorists and Terrorists

Regarding "Why Does Bob Dole Back Mozambique Terrorists?" (May 20):

In his opinion column on the Mozambique National Resistance, or Renamo, Anthony Lewis rightly asserts that its guerrillas use terrorism, and also implies, again rightly in my view, that terrorism cannot be tolerated by civilized states. However, when he then suggests that it is Renamo's vicious terrorism that brings the British government to support the Marxist regime in Mozambique, he surely is mistaken.

If the fact that a resistance movement uses terrorism, or that its viciousness is extreme, were enough to induce Western states to aid the attacked government — regardless of its ideology, as Mr. Lewis says — then surely the West would be coming to the aid of the South African government against the vicious terrorism of the African National Congress.

Miracle on Broadway: An Unstolen Car

By William E. Geist

NEW YORK — A late-model Volkswagen Rabbit — No Rust, Rust Good! — is parked on Broadway at 104th Street with the keys in it, if you'd like one. It has been sitting there, unlocked, for eight days.

"Amazing!" said Kay Demetriou, a barber, looking at the car from his Broadway Barber Shop. "Unprecedented," a customer said carefully, very carefully, as Mr. Demetriou shaved him with a straight razor. "Cars are routinely stolen here," Mr. Demetriou said. "Some men went by here with a shopping cart, stealing one car battery after another."

The continued presence of this car, which by all New York laws of anti-social behavior should have been stolen days ago, has astonished many in this neighborhood and left many residents searching for answers.

"I think leaving the keys in the ignition has thrown them off," said Ronnie Douglas, a 20-ish neighborhood resident, referring to some apparent confusion and consternation on the part of local car thieves and vandals. He stood

on the corner as two young men slowly circled the car, kicking the tires and running their hands over the upholstery as if they were on a used car lot.

Many others have stopped to examine the car, looking under the hood, sitting behind the wheel and coming into the shop to ask Mr. Demetriou about it, as if

MEANWHILE

he were a car salesman. He can sound like one, too, noting that it would cost \$12,000 new and adding: "It's in good condition. There is no reason not to steal it."

It is Mr. Douglas's understanding that the car has been taken for at least one "test drive" by teen-agers, after which it was returned undamaged. The car was also moved by the driver of a vegetable truck, who found it in the way of his deliveries. The keys were in the ignition for several days, then were missing for a few days, but now were back.

A police officer stopped to ask Mr.

Demetriou what he knew about the car, which is parked in a bus zone. The officer seems to have dropped the case.

"The owner parked it there last Tuesday," Mr. Demetriou explained. When he came back Wednesday there were tickets on the car. He put the tickets into a bag, put the license plates in the bag and scraped off the registration and inspection stickers. Then he put the keys in the ignition and announced, "Anyone who wants it can have it."

Mr. Douglas's companion said he had heard that the owner was fed up with trying to keep a car in New York, and had complained that there was nowhere affordable to park, no way to keep a radio and no way to get through all the traffic. "He'd just had enough," the boy said.

There are already folk tales about the car. According to a youth on the corner, there are rumors that the car was left with the keys in it by the police as a setup for car thieves. Another is that the car was used by the Mafia in some awful crime — maybe even a rub-out. "There has to be some explanation why this car has been left alone," Mr. Douglas said.

Others theorize that maybe if the owner had locked it and not left the keys, then somebody would have stolen it. That's the way most people get their cars stolen.

And if he just wanted to abandon the car, they said he should have taken it to the shoulder of an expressway, stripped it and set it on fire, in accordance with traditional car abandonment guidelines. The consensus in the barber shop is that the man should at least have left the car on the other side of the street, the east side of Broadway, if he truly wanted it stolen or disassembled. "This is the nice side of the street," said Mr. Demetriou, who has been cutting hair here since World War II and is considered an expert on the neighborhood's social dynamics.

Dressed in his working whites and carrying his clippers, Mr. Demetriou walked out of the store, pushed the button on the trunk and said: "Can you imagine that the spare tire is still here!"

I have been coming to Turkey since 1947, when I was a young dependent of a U.S. Foreign Service officer. At present you can feel the vibrancy in the air. Hotels and transportation terminals teem with activity. At times it is next to impossible to make an airline reservation unless you do it well in advance. You feel the excitement all around you and you know that something is happening in Turkey.

I certainly felt it a few weeks ago at Iden '87 in Ankara, where 403 of the world's defense systems companies were represented. For five days, thousands of Turks and nationals of many foreign countries poured through the exposition. They, too, felt something in the air — a country on the brink of a business explosion. This American says to the European Community: Welcome Turkey to your fold with open arms. If you do not do it this year, you will next year, or the next. Your lives will be better for it.

F. PAUL BUTLER,
Istanbul.

Newspaper Ethics

Regarding "Even a Big Story Isn't Worth Such Scouting in the Dark" (May 2) by A.M. Rosenthal:

While I agree that The Miami Herald had no business snooping around Gary Hart's Washington townhouse, I wonder why Mr. Rosenthal considers those tactics to be more distasteful than, say, securing stolen property. It was during his tenure as an editor that The New York Times published the "Pentagon Papers."

AL JAY,
Cascais, Portugal.

Something in Turkey's Air

As an American and the managing director of a company that is the product of a joint venture between well-known U.S. and Turkish companies, I am impressed by the Herculean effort by Prime Minister Turgut Ozal to open to the world the infinite number of opportunities in Turkey. It is due almost entirely to the American company's confidence in Mr. Ozal's leadership that it

made the decision to invest in Turkey. All of the other reasons for investing (crossroads of three continents, natural beauty, Turkish hospitality and vitality, natural resources) have always been present. What had been missing was political stability and economic viability.

Soon after my latest arrival I learned that my company was not alone in its enthusiasm. As I was in and out of the offices of the Turkish joint venture partner during my first week, I heard spoken by countless visitors — and, I might add, by many members of the Turkish firm — English, Japanese, Italian, German, French, Spanish and Arabic. Right there I should have been prepared for the business boom I was to witness.

I have been coming to Turkey since 1947, when I was a young dependent of a U.S. Foreign Service officer. At present you can feel the vibrancy in the air. Hotels and transportation terminals teem with activity. At times it is next to impossible to make an airline reservation unless you do it well in advance. You feel the excitement all around you and you know that something is happening in Turkey.

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Audi 80

after 1967, are much more prone to

the system on cold instead of hot. ... said Vic DePaula ... posal will figure as a major bar-

Intelligence Officials Say Arms Inspections Must Exempt Some U.S. Sites

By R. Jeffrey Smith
Washington Post Service
WASHINGTON — U.S. intelligence officials have told the White House that certain intelligence installations must be exempted from the on-site inspection provisions of arms treaties being negotiated in Geneva, according to senior U.S. officials.

Officials from the Central Intelligence Agency, the National Security Agency and the Federal Bureau of Investigation contended that the risk of allowing Soviet inspectors at their intelligence-gathering facilities would outweigh the benefits of access to military sites in the Soviet Union.

President Ronald Reagan has not made a decision on the proposal, which has been vigorously disputed within the administration.

Several officials with knowledge of the dispute said Tuesday that administration acceptance of the proposed exemptions would be a significant retreat from arms-control policy.

The administration has long insisted that compliance with arms-control agreements cannot be verified unless the United States and the Soviet Union can inspect the sites of suspected violations on short notice, without exception.

That requirement was included in a 1984 U.S. draft treaty banning chemical weapons, largely at the behest of the Defense Department. The department opposes granting any exemptions for such on-site inspections.

U.S. officials also planned to include the requirement in draft U.S. treaties on strategic weapons and medium-range missiles in Europe at the Geneva negotiations.

In opposing the requirement, an official said, the intelligence agencies fear that Moscow might request access on short notice to sensitive facilities where the United States is developing countermeasures to Soviet weapons and intelligence gathering.

The intelligence agencies have proposed that treaty language be drafted broadly enough to exempt hundreds of sites where foreign intelligence is collected and analyzed, including agency headquarters in the United States and remote listening posts in Europe.

Other agencies have proposed that the language be drafted broadly enough to exclude only a few dozen of the most vital U.S. installations.

The dispute arises as Soviet officials have apparently dropped their longstanding opposition to on-site inspections. In the proposed agreement on chemical weapons, Moscow has endorsed inspections of facilities on short notice. U.S. negotiators have said they hope Moscow will also accept short-notice inspections in missile accords.

U.S. intelligence officials say they believe Moscow probably would welcome exemptions because it has continued to insist on more limits on on-site inspections than Washington has favored.

Proponents of changing the policy say exemptions would eliminate what some Western officials fear could become a stumbling block to agreement on medium-range missiles in Europe.

The U.S. intelligence community fears that Moscow might learn too much about intelligence-gathering technology by inspecting sensitive sites under the guise of checking on potential treaty violations.

However, opponents of the ex-

emptions contend that once the principle of exemptions is accepted, the Soviet Union might be able to hide treaty violations by claiming that the sites of such violations are sensitive intelligence-gathering facilities.

State Department officials, meanwhile, said Tuesday that Secretary of State George P. Shultz and the Soviet foreign minister, Eduard A. Shevardnadze, might meet this summer to try to push forward an agreement on medium-range missiles.

In the missile talks, both sides have agreed in principle to "routine" inspections of installations that both acknowledge have been used to build or store missiles.

The proponents of the exemptions for intelligence facilities contend that these are the most important on-site inspections, and that they should be allowed under any new agreement.

However, Defense Department officials have contended that once a category of exempted facilities is created, Moscow will contend that every site of suspected violation that the United States demands to inspect is in the exempted category.

Thousands Pay Tribute To Karami

United Press International
TRIPOLI, Lebanon — Thousands of mourners, including Lebanese and Syrian officials, paid homage to Rashid Karami at a funeral procession Wednesday.

The prime minister, 65, was killed Monday by a bomb that exploded aboard an army helicopter en route to Beirut from Mr. Karami's summer home northeast of the capital.

The funeral for Mr. Karami, a pro-Syrian politician, was attended by ambassadors from the Soviet Union, Britain, France and Italy, as well as a number of Christian cabinet ministers, Parliament deputies and religious figures.

Sayed Musa, the pro-Syrian Palestinian leader known as Abu Musa, and Vice President Abdel Haim Khaddam of Syria were present, and acting Prime Minister Salim al-Hoss represented President Amin Gemayel.

Nabih Berri, the Lebanese justice minister and leader of the Shiite Amal movement, was not present.



Beirut residents hold up portraits of Rashid Karami, who was killed Monday.

Deadlock Leaves Israel With No Envoy in U.S.

New York Times Service
JERUSALEM — Israel no longer has an ambassador to the United States and may not have one for months.

The assignment of Meir Rosenne expired Monday, and Prime Minister Yitzhak Shamir and Foreign Minister Shimon Peres have been unable to agree on a successor.

The disagreement, which has deeply embarrassed Israel's leadership, is only the latest manifestation of the decision-making deadlock hobbling the coalition government.

While Mr. Shamir, Mr. Peres and their cabinet colleagues continue to operate the bureaucracy, the cabinet has no agenda. It seems to be only a matter of time before new elections will be required.

"I would not be surprised if there is no ambassador for months," said a senior official. "This could actually become one of the key issues that finally breaks up the government."

The Israeli press expressed embarrassment over the fact that Israel, which receives \$3 billion a year in U.S. military and economic aid, more than any other ally, will not be represented by an ambassador in Washington. The newspaper Ha'aretz said:

"Israel cannot afford this procrastination. The inability to man the position damages the country's status in the American public arena." Mr. Rosenne, who went to Washington in 1983, was appointed by Mr. Shamir. Although he is a career diplomat, it is widely considered to be "a Shamir man." The chargé d'affaires, Oded Eiran, 46, former director of the Foreign Ministry's North America division, is to take over as Israel's senior diplomat in the United States. Mr. Eiran, also a career diplomat, is generally regarded as more sympathetic to Mr. Peres.

Senate Unit Disapproves Sale of F-5s to Honduras

Washington Post Service
WASHINGTON — The Senate Foreign Relations Committee has narrowly passed a resolution disapproving the Reagan administration's proposed \$75 million sale of 12 F-5 jet aircraft to Honduras.

The 10-9 vote Tuesday, along party lines, left in doubt whether Democratic supporters of the resolution could muster a majority for it on the Senate floor, let alone the two-thirds vote to override an almost certain presidential veto.

ISRAEL: Decades of Frustration and Bitterness Mark Palestinians' Struggle to Regain Lands

(Continued from Page 1)

where democracy has been slow to take hold. For Palestinians, too, the radicalization of their cause has led to a different kind of cynicism. The history of the Palestinian movement is intertwined with an endless series of violent acts and shocking episodes of terrorism.

It is this image of Palestinian terrorism that has most damaged the Palestinian cause, particularly in the United States.

From the outset, each stage of the modern Middle East crisis has built on the previous one.

The brief war that followed Israel's statehood in 1948 pushed 800,000 Palestinian refugees off what they considered their traditional lands, in an area claimed and inhabited by both sides over the centuries.

Many of them were settled in camps in southern Lebanon, but the majority settled in Jordan. By May 1967, Palestinians 722,687 refugees in Jordan were registered with the United Nations.

Samir A. Mutawi, an adviser to King Hussein of Jordan, said, "In the two decades following the Arab-Israeli war of 1948, the Jordanian kingdom's failure to integrate fully the Palestinian refugees into the nation resulted in an insoluble problem for the government."

"Their miserable state and subsequent bitterness," Mr. Mutawi said, "made them susceptible to the propaganda of the radical Arab states such as Egypt and Syria, with resulting sporadic civil unrest."

Many of the refugees turned to the Palestine Liberation Organization, which was formed at the Cairo summit meeting of Arab states in 1964.

The PLO was created over the opposition of Hussein, who saw in its establishment a competing leadership among half of his subjects and a potential source of subversion against both Israel and his own regime.

Under its first leader, Ahmed Shukairy, the PLO was largely a propaganda organ, a creature of the radical Arab regimes of the day that helped whip up the war fever before the 1967 conflict.

But from the wreckage of the Arab armies' defeat emerged a new PLO leader, a former student organizer at Cairo University, Yasser Arafat.

Under Mr. Arafat, the PLO has developed both political and paramilitary arms. In the name of the PLO and its various factions, thousands of terrorist attacks have been launched against Israel, its diplomats abroad and against unarmed civilians worldwide.

Israel has always struck back and thousands of Palestinians have died in retaliation raids.

The 1967 Arab defeat gave Mr. Arafat an opening to step onto the world stage.

"I succeeded," Mr. Arafat said, "to shift the destiny of my people from refugee statistics into freedom fighters."

For Hussein, however, it was a dark period in Jordan's history. Hussein "feels he lost the West Bank and that's an awful thing because the Moslem shrines are there," said a Palestinian leader living in Jordan.

"This is very hard," he continued, "because you know these Arab leaders build themselves up that they are the descendants of Mohammed, and this is the worst thing."

The PLO has had a checkered performance on behalf of the Palestinians, yet its image and loyalty remain strong, according to a poll conducted last year in the occupied territories.

The PLO's critics say it has become an irrelevant holding operation, more determined to perpetuate its bureaucracy and leadership than in reaching a solution.

"I don't know that it has accomplished much," said Rashid Shawa, a former mayor of Gaza. "The PLO has made our case more known internationally, but locally it has lost. Israel has been able to put its hands on everything."

One of Hussein's advisers, a longtime critic of Mr. Arafat, said, "The most tragic aspect of the Palestinian problem is the PLO."

He said that Mr. Arafat's crime against the Palestinian people has been his claim that he represents a Palestinian "revolution" outside the country, where no revolution can exist because it is not tied to the land.

"The reason the West Bankers all say hail to Abu Amar," the Hussein adviser said, "is that he has relieved them of their historical obligation to resist the occupation." Abu Amar is Mr. Arafat's nom de guerre.

A former PLO executive committee member, Hana Nasir, however, voiced what is still the most common Palestinian sentiment about the PLO.

"We all share moments of despair about its failures," he said. "We are loyal to the PLO not because we are stooges, but because this is our structure; it's like the United States with President Reagan: you may criticize him, but for better or worse, this is your country."

The competition for Palestinian loyalty in the occupied territories has put tremendous strains on local leaders, who, by their associations, run the risk of expulsion, assassination by rivals and accusations of collaboration.

Nobody wants leaders in the occupied territories," said Mahdi Abdul-Hadi, founder of the Arab Thought Forum in Jerusalem.

"The Jordanians want employees and not partners," Mr. Abdul-Hadi said. "Arafat wants followers, but not colleagues. And Israel wants collaborators and not equals with independence and self-esteem."

As the years have passed, the political, economic and social impact of living under occupation has been studied by many scholars. Kerry Abbott, a doctoral candidate at the London School of Economics who has spent five years studying the conflict, said she finds Palestinians deeply cynical about their plight, self-absorbed with their lives and problems and virtually incapable of organizing an internal opposition to Israel's rule.

"People here aren't revolutionaries," Ms. Abbott said. "It's really easy for people here to end up fighting each other."

As for their loyalty to Arab leaders espousing their cause, Ms. Abbott said, "I think the Palestinians favor whoever is winning."

Palestinian youth learn the rhetoric of resistance at an early age, Ms. Abbott said, and are spurred to acts of random defiance during their impressionable years.

However, she said, countervailing pressures to finish school and support a family are the greatest moderators to organized resistance.

A number of Palestinian leaders have expressed growing concern that the "occupation generation," young Palestinians who were born after 1967, are much more prone to

violence and what Ms. Abbott called anarchist behavior.

The statistics of the occupation suggest a harsh environment for Palestinian youth: 250,000 Palestinians have been in Israeli prisons during their lifetimes; 1,215 have been deported or expelled and 1,300 homes have been bulldozed as part of collective punishments imposed by the Israelis for acts of terrorism.

"There is a great psychological burden on Palestinians in the territories," said Sari Nusseibah, a professor at Bir Zeit University. "Even I have nightmares of police and military pursuing me."

"Inside our psyche," he continued, "the soldier represents the embodiment of oppression and what the kids try to do is liberate themselves. I think it is a kind of exorcism to throw a stone at Satan."

The confrontation over land confiscation and settlement in the territories taps perhaps the deepest emotions and resentments on both sides.

"People have lost incredible amounts of land," said Mr. Nasir, a former president of Bir Zeit. "Lots of people have gone berserk. This is a nation that for the last 40 years has stopped doing any creative work, because when Palestinians get together, this is all they talk about."

The passage of time and the escalating cycle of violence has prompted some Palestinian leaders to call for new tactics.

One such tactic, advocated by Mr. Nusseibah, is to "move from total rejection" of the Israeli system "to slowly getting into the system and making use of it." He contends that many Palestinians unconsciously have immersed themselves in Israel's economy and legal structure and, therefore, look for remedies to grievances there.

He cited a demonstration in Jericho recently in which Palestinian farmers demanded equal access to Israeli markets.

"They were not asking for the walls to be rebuilt," he said. "They were asking for the walls to be totally eradicated."

Other Palestinians have petitioned Israeli courts to fight deportation orders or land confiscation by Israeli settlers.

Under Mr. Nusseibah's prescription, Palestinians should demand annexation of the West Bank and Gaza and then petition Israeli courts for full rights of citizenship. The strength of the Palestinian birth rate would instantly make the Arab population a major political force in the country.

Skeptics see Mr. Nusseibah's plan as only a gimmick, but one that illustrates a growing assertion

of rights by Palestinians under Israel's legal code.

Another recent tactic has been nonviolent resistance to settlers.

"This is the only thing the Israelis concede could work," said Ms. Abbott. The Palestinian resistors "are actually pulling down fences and then the settlers come, they tell them, 'You can call the army and shoot us, but when people hear about it, they will know you are murderers.'"

But Ms. Abbott and others do not see nonviolence catching on. "You'll never have a Palestinian Gandhi," said one expert. "It's not in Islam to be that passive."

A more practical, and thus far effective, strategy for resistance has been undertaken by Hafez Abu Ghazaleh, a surgeon in Gaza who built a center for the handicapped by ignoring occupation rules and regulations.

"I fight them by my brains," said Mr. Abu Ghazaleh. "I have developed a constituency inside the Israeli system: professors at Hebrew University, politicians in the Knesset."

He boasts that his center is the only Palestinian institution licensed by the U.S. government as a private voluntary organization eligible for U.S. aid dollars.

"The Israelis don't like me," Mr. Abu Ghazaleh said. "I stand up to them on every issue."



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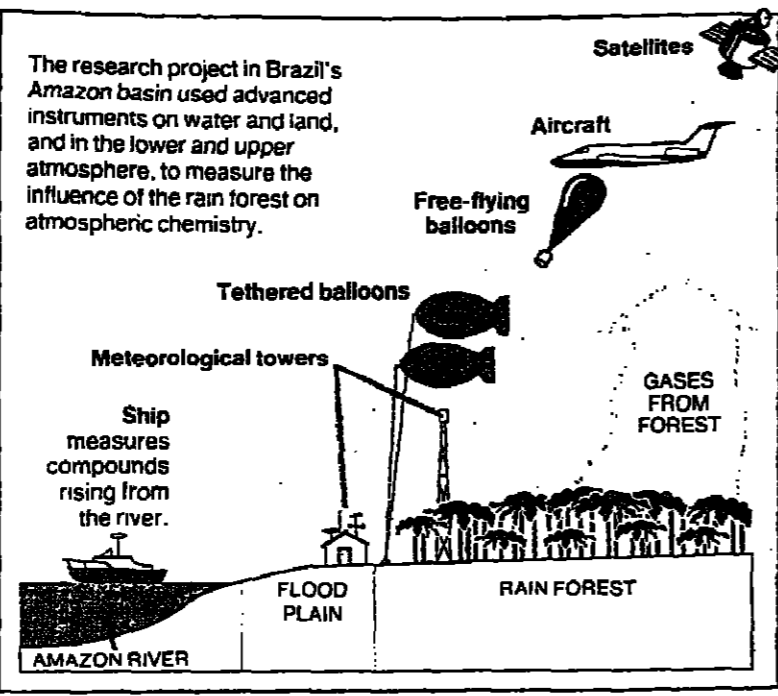


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SCIENCE

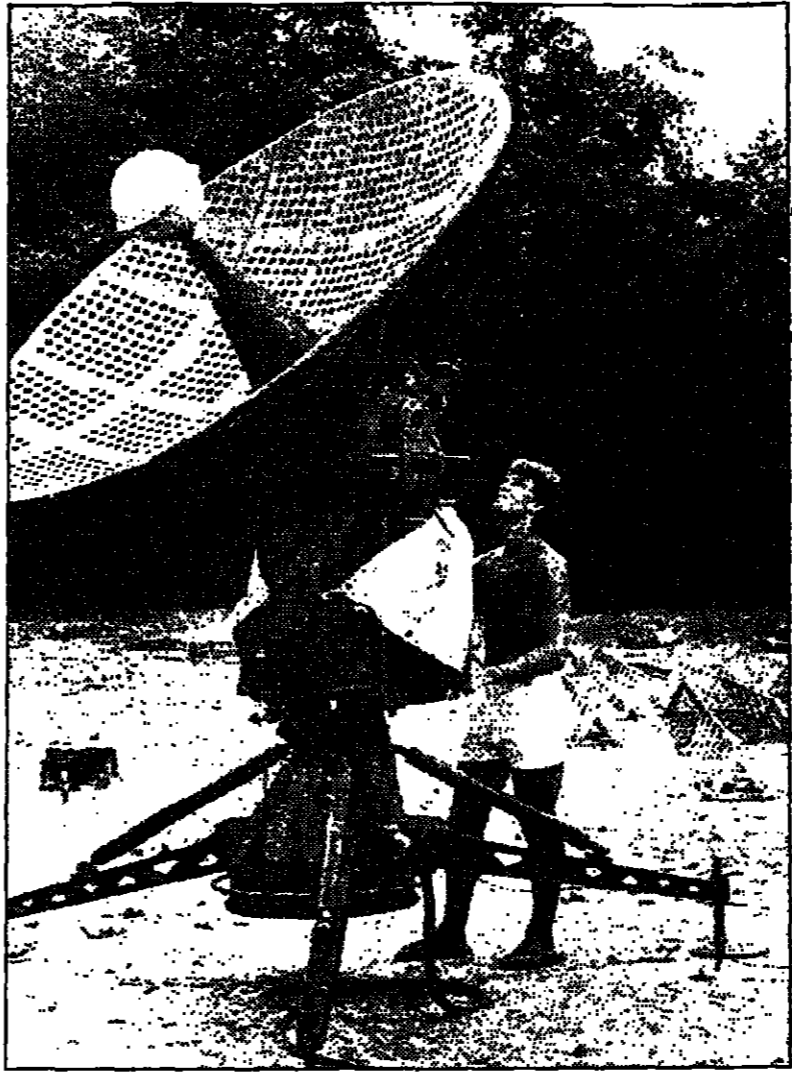
Measuring Forest's Breath

By Marlies Simons
MANAUS, Brazil — Shortly after dawn, the Electra climbed above the Amazon River, nudged through plumes and layers of steam, then bumped along just 500 feet above the jungle canopy. On board, a phalanx of scientists started probing the breath of the forest.



Source: Heri/The New York Times

The research project in Brazil's Amazon basin used advanced instruments on water and land, and in the lower and upper atmosphere, to measure the influence of the rain forest on atmospheric chemistry. Methane emissions over the country's extensive rice paddies and the impact of the Gobi's dust storms.



Ground station receives data from balloons.

Nitrous oxide is an important gas influencing the ozone layer in the stratosphere. Steven Wofsy of Harvard University said, "We found the emissions in the ocean and the Northern Hemisphere to be very small. They are very substantial here."

IN BRIEF

Breast-Feeding Straightens Teeth
NEW YORK (NYT) — Breast-feeding may contribute to straighter teeth because it leads to different growth patterns in the mouth than those in bottle-fed babies, according to a study at the Johns Hopkins School of Public Health.

Pluto Found to Have Atmosphere
WASHINGTON (WP) — Pluto, long regarded as a second-class planet because of its small size, odd orbit and other features more reminiscent of an asteroid than a planet, may be due for a promotion.

Another Clever Wile of Spiders
WASHINGTON (WP) — The wiles of spiders are varied and infamous. They use disguises, snares, poisons and a variety of acrobatic jumps, swings and darts.

Measles Proves to Be Stubborn Foe
NEW YORK (NYT) — Elimination of measles from the United States is proving to be a more difficult goal than many specialists had expected.

Table: NYSE Most Actives. Columns: Vol., High, Low, Last, Chg. Lists top active stocks like Chmpln, Hifen, Giffen, etc.

Table: Market Sales. Columns: NYSE 3 a.m. volume, NYSE prev. close, Amex 3 a.m. volume, etc.

Table: NYSE Index. Columns: High, Low, Close, Today's Pct. Change. Lists Composite, Industrials, Transp., etc.

Wednesday's NYSE Closing. Via The Associated Press. Includes Dow Jones Averages and Standard & Poor's Index.

Table: AMEX Diary. Columns: Class, Prev., High, Low, Last, Chg. Lists various market indices.

Table: NASDAQ Index. Columns: Prev. Total, High, Low, Last, Chg. Lists Composite, Industrials, etc.

Table: AMEX Most Actives. Columns: Vol., High, Low, Last, Chg. Lists active stocks like Wickes, Industrial, etc.

Table: Dow Jones Broad Averages. Columns: Prev. Close, Today's Close, % Chg. Lists Bonds, Utilities, Industrials.

Table: NYSE Diary. Columns: Adv. Declined, Unchanged, Total Issues, New Highs, New Lows. Lists various market data.

Table: Odd-Lot Trading in N.Y. Columns: Buy, Sales, %BYY. Lists trading statistics for various days.

Table: Standard & Poor's Index. Columns: High, Low, Close, Today's Pct. Change. Lists various market indices.

Table: Previous NASDAQ Diary. Columns: Adv. Declined, Unchanged, Total Issues. Lists market data.

Advertisement for Everman's Gold Nugget. Includes text about Australian Nugget gold bullion coins and a contact form.

Vertical text on the right edge of the page, including 'TV PROGRAM' and 'THURSDAY'.

THURSDAY, JUNE 4, 1987

INTERNATIONAL MANAGER

To Boost Employee Energy, Phase Out the Chipped Beef

By SHERRY BUCHANAN International Herald Tribune

LONDON — This month is "low in sodium" month at Tenneco Inc., the Houston-based oil company. Tenneco's cafeteria and executive dining rooms are offering foods cooked without salt for executives suffering from hypertension. Improved nutrition also is being emphasized at fitness-conscious companies such as PepsiCo Inc., Control Data Corp., Rank-Xerox Ltd. and Marks & Spencer PLC. Some of which offer foods low in fat, sugar, sodium and cholesterol.

"People are eating better to feel better," said Eleanor Hellman, assistant manager of health and fitness at Tenneco's corporate headquarters, "compared to a few years ago when they were crash dieting with an 'I have to get back into that suit or dress size' attitude."

But to avoid a junk-food mutiny, most firms stress freedom of choice.

The idea that a properly fed worker will be more productive in his job is not new. Cadbury Ltd., the British chocolate maker, used to give its employees a cup of hot cocoa and a piece of bread in the morning in the belief that a well-fed worker was a better worker. In "Managing Your Mind and Mood Through Food," Judith J. Wurman, a nutrition expert, tells the story of a woman executive who scored over her opponent while negotiating at lunch by watching him eat an entire loaf of bread while she abstained. Certain nutritionists say that excess carbohydrates reduce a person's alertness and energy.

Numerous other writers are telling executives how to improve their health by eating a balanced diet, counting calories, taking vitamin supplements and cutting down on potentially harmful substances such as salt and caffeine. Even etiquette writers have become nutrition-conscious. Laetitia Baldrige, author of "The Complete Guide to Executive Manners," suggests adding raw vegetables to an office lunch of sandwiches or pizza because it makes such foods more presentable and more nutritious.

No company has made certain food habits mandatory. Only the military has come close. To improve the nutrition and health of the American soldier, the U.S. Army Master Menu suggests that mess halls remove certain favorites from mess halls.

THE LIST includes fried chicken, fried fish, fried and creamed potatoes and whipped toppings on desserts. It is also increasingly hard to find creamed chipped beef in an army canteen. This specialty, described by an army spokeswoman as a S.O.S., or something on a shingle, is fried hamburger covered in a white cream sauce and served on a piece of toast.

Corporate fitness officers, who probably fear a mutiny if they deprive their employees of junk food, are giving their employees a freedom of choice rather than removing high-calorie foods from canteens. "The cafeteria has all the choices because that's the way the real world is," said Mrs. Hellman of Tenneco. "The point is to show people the alternatives to chocolate sundaes."

Companies also have devised competitive programs to encourage people to eat better. Twice a year, Tenneco stages its Fat Chance Olympics, in which teams score points for eating the right foods, exercising and losing a maximum of two pounds (900 grams) a week. Crash dieting is discouraged: If participants lose more than two pounds in a week, they receive no extra points.

The nutrition craze has yet to take on in Britain to the extent it has in U.S. companies. But British executives are particularly concerned about the change in their own eating habits and about turning down on cholesterol, according to Dr. Andrew Melhuish, a general practitioner who lectures on stress management at Henley Management College. High cholesterol levels have been linked to heart disease.

"Nutrition will become more important" in Britain, Dr. Melhuish said. "Right now we are still trying to get executives to cut down on smoking and alcohol."

Volcker: A Success Story With an Abrupt Ending

A Crisis Manager Who Tamed the Dollar, Inflation

By Peter T. Kilborn New York Times Service

WASHINGTON — Paul A. Volcker's legacy is an economy that he and he alone freed from its worst predicament since the Depression: the long-breeding inflation that had turned virulent as he was taking office at the end of the 1970s.

The durability of Mr. Volcker's contributions as chairman of the Federal Reserve Board is uncertain. In his eight-year tenure, he proved an astute political gamesman and crisis manager, not a reformer. With real success, he battled the gyrations of the dollar, the crisis over Latin American debt and the collapse of Continental Illinois National Bank three years ago.

But many of the underlying fundamentals that gave rise to those problems, such as the troubled banking system, the weak economies of the Third World and the volatile financial markets, remain largely unchanged.

Yet in subduing the inflation that reached levels of 12 and 13 percent, Mr. Volcker probably achieved more than any of his predecessors. Inflation so menaced the economy that critics on the left and the right praise him far more than they fault him for the toll he extracted: the highest interest rates since the American Civil War and a recession that was longer and harsher than economists, in hindsight, say was necessary.

"He was probably the most qualified person ever to serve in that position," said William Niskanen, who was a member of the Council of Economic Advisers during President Ronald Reagan's first term. "It is a serious loss for the country," said Senator William Proxmire, Democrat of Wisconsin. He is chairman of the Senate Banking Committee, which oversees the Fed, and has been a committee member for 30 years.

Mr. Volcker, whose departure was announced Tuesday, has been a colossus on the stage of the



Paul A. Volcker, the Fed chairman, right, with Alan Greenspan, who has been nominated to replace him.

world economy. He was often called the "second most powerful in the United States" after Mr. Reagan and was more respected in many countries than the president. Mr. Volcker, 59, is a towering figure who stands 6-foot-7 (2.02 meters) and wears rumpled suits that formerly were often flecked with ashes of the cheap cigars he now eschews.

His public comments — which he has said he considered innocuous — have often struck those who monitor such pronouncements as riddles loaded with hidden meanings. Often his remarks have sent markets into turmoil, to his chagrin. "We find ourselves reacting to market reactions to our own statements," he once said. "Yet he also has said that he feels compelled to speak ambiguously to discourage overreaction in the markets."

Mr. Volcker took over as Fed chairman in August 1979. The following October he announced a stunning change: The central bank would abandon its policy of setting interest rates in trying to guide the economy and would seek instead to slow the then-rapid growth of the money supply. This was a dramatic shift because it meant that interest rates could go sky high, as they eventually did, and that the Fed would ignore them. The rates — some exceeded 20 percent — suffocated borrowing and slowed the economy into a brief recession in 1980 and a big one in 1982-83. With these, the cycle of endlessly rising prices was broken.

Consumer prices, which surged 12.4 percent in 1980, have not risen more than 4 percent annually in the last five years. (They rose only 1.1 percent in 1986.) In the last half of 1982, in the face of widespread evidence that the recession was proving worse than the Fed had expected, Mr. Volcker began abandoning tight control of the money supply. See VOLCKER, Page 15

Fed Chief Saw Reagan Silence As Reluctance

By Gerald M. Boyd New York Times Service

WASHINGTON — When Paul A. Volcker met early last week with Howard H. Baker Jr., the White House chief of staff, he delivered a message without equivocation. After two terms, he wanted out as the chairman of the Federal Reserve Board.

But no one, including Mr. Baker and President Ronald Reagan, thought he was serious. That conclusion prompted several days of behind-the-scenes drama that ended Tuesday when Mr. Reagan announced that Mr. Volcker would not stay on when his term expires in August.

White House officials, replaying the drama, provided these details: While Mr. Volcker had reason to think that Mr. Reagan would reappoint him, he never heard this directly from the president. Mr. Volcker apparently interpreted the president's silence as a sign that while Mr. Reagan did not want to dismiss him, but did not really want him to stay on.

The process leading to the selection of a new Fed chairman, which had been a source of speculation for months, took place in less than a week. Howard Baker had the key role, first in trying to dissuade Mr. Volcker from leaving, then in the selection of the New York economist Alan Greenspan over two other candidates: Beryl W. Sprinkel, the current chairman of the President's Council of Economic Advisers, and John C. Whitehead, the deputy secretary of state. Treasury Secretary James A. Baker 3d also played a role.

Mr. Reagan chose Mr. Greenspan nearly on the spot, offering the job to the former chairman of the Council of Economic Advisers about an hour after receiving Mr. Volcker's resignation. Mr. Greenspan was Mr. Volcker's first choice. See CHRONOLOGY, Page 15

Norway to Seek More Authority Over Bourse

OSLO — The Norwegian government will propose stepping in to help run the Oslo stock exchange, senior officials in the bourse said Wednesday, in a move that would back a worldwide trend towards less regulation of financial markets. Bourse officials said that one of the proposals would grant the government the right to name five members of the bourse's ruling board, with three others to be named by the private sector. Such a move would give the government the effective right of veto and the power to set stock exchange rules.

The stock exchange and the government have been researching ways to reform the bourse for more than two years. But officials on the exchange who declined to be identified said that the proposal for increased government control was submitted only in April, in a draft sent to the bourse.

A Finance Ministry spokesman declined comment on the proposals other than to say that they would be published on Friday. He said that the proposed rules were designed to replace the last set of stock exchange laws, which were approved in 1931.

Bourse officials said the government had not specifically informed them that it was dissatisfied with the stock exchange's system of regulating itself. Only about 60 million kroner (\$8.92 million) worth of shares is traded daily on the Norwegian exchange. The exchange has so far been left to run itself, although rules on foreign ownership of shares are fairly strict.

Nevertheless, foreign interest in such companies as Norsk Hydro AS, the chemical, energy and plastics conglomerate, and Norsk Data AS, the computer maker, has been strong.

Stockbrokers said that the minority Labor government might encounter obstacles in trying to enact its proposals. The government of Prime Minister Gro Harlem Brundtland has met with little resistance from the parties of Norway's former center-right coalition since she came to power in May 1986. The opposition has had difficulty agreeing on which issues should be used to assuage her government.

But the government can probably expect that the Conservative Party, the largest of the partners in the former coalition, would strongly oppose government interference with the stock exchange. In another development, a parliamentary finance committee summoned Norway's central bank governor and finance minister to testify on a dispute between banks and the government centering on a

tough secondary reserve requirement for lending. Banks and the central bank want the requirement scrapped, largely because it restricts banks faced with high loan demands. Bankers believe that the reserve requirement, adopted by the government to brake demand for loans, simply pushes up interest rates.

Bonn Sets Funding for Airbus Jets

BONN — The West German cabinet decided Wednesday to grant financing worth about 4.9 billion DM (\$2.5 billion) to Airbus Industrie so that the European consortium can build a new generation of airliners, officials said.

The decision follows agreements by France and Britain, whose major aerospace companies also form part of the consortium, to help finance the medium-range A-330 and long-haul A-340 airliner. Erich Riedl, the West German state secretary for economics, said that Bonn would allocate 2.996 billion DM to help develop the new airliners. It also will take over 1.9 billion DM in debt held by Deutsche Airbus GmbH, the West German wing of the consortium.

Airbus required a guarantee of government assistance before it could start manufacturing the airliners, which would compete with new models by McDonnell Douglas Corp. and Boeing Co. of the United States. The European subsidies are opposed by the U.S. government, which argues that they are unfair.

Deutsche Airbus had sought 7 billion DM in subsidies from the government. Bonn decided not to make finance available for production costs, Mr. Riedl said. He said that the government hoped that West German industrial companies directly involved in the program, such as Deutsche Airbus and Dornier GmbH, would receive the funds needed for production from their own parent companies.

He also spoke of the possibility that such parent companies would broaden their shareholder base. The government has been trying to pressure West German industry into taking a stake in Messerschmitt-Bölkow-Blohm GmbH, the parent of Deutsche Airbus. Airbus says it has booked 87 orders, including options, for the A-340, and 41 for the A-330.

Tainted Cigarettes Could Harm U.S. Sales in Japan

By Susan Chira New York Times Service

TOKYO — The discovery on Wednesday that 16,000 cases of Winston Lights cigarettes shipped to Japan contained illegally high herbicide levels could threaten a huge effort to sell American cigarettes in the Japanese market.

The cigarettes, which contained higher levels of the herbicide dicamba than permitted by U.S. law, were not sold to Japanese consumers, although some 45,000 packs

were distributed to retailers as samples. R.J. Reynolds Tobacco International, the distributor of Winston Lights, said that dicamba presented no health hazards, an opinion the company said was seconded by the U.S. Embassy here.

But other tobacco companies and some consumer groups are concerned that the publicity could shake Japanese confidence in the quality and safety of American tobacco, just as sales of imported cigarettes are on the rise.

American tobacco companies have been battling for years to break into the Japanese market, estimated to be worth at least \$500 million a year in U.S. exports. Two years ago, Japan ended the monopoly of the government-owned Japan Tobacco Inc. but high tariffs still frustrated efforts.

American manufacturers won an important victory in October, when Japan agreed to eliminate tariffs of more than 20 percent on imported cigarettes as of this April. Over last year, imports of foreign cigarettes have increased by 54 percent, with 80 percent of foreign cigarettes imported from the United States.

Philip Morris, which by some estimates has 70 percent of the imported cigarette market, issued a statement that all its cigarettes

meet all U.S. government requirements. Some Japanese consumer groups, including the powerful Japan Housewives' Association, expressed concern about the reports.

A spokesman for Japan Tobacco Inc. said the company had been receiving calls about Winston Lights. "As a tobacco company, we want to learn a lesson from this issue, because even though it is said that the harm to health is negligible, keeping credibility about safety is important because tobacco is an image product," the spokesman said.

R.J. Reynolds is taking pains to reassure the Japanese public to try to allay fears about its products. Keith M. McCulloch, a vice president of R.J. Reynolds International, said that as soon as he found out about the herbicide levels, he ordered that all cases be held in warehouses and new cigarettes be air-freighted to Japan.

But he did not recall the cigarettes that had been distributed to retailers because to do so "would create unnecessary confusion and concern."

Although the company found out about the herbicide levels on March 19, officials did not tell Japanese authorities until May 21. After U.S. government officials had notified Japanese officials of the herbicide levels.

Mr. McCulloch said the company was under no legal obligation to tell Japanese officials, because the herbicide levels were not illegal in Japan.

He added that the United States limits the use of dicamba for quality more than health reasons. The herbicide tends to cause tobacco leaves to ripen early, making it appear as though they are of higher grade tobacco.

In April, the first month Winston Lights were introduced to Japan, retailers ordered 63 million cigarettes. It is too early to tell what effect on sales the publicity about the herbicide will have, he said, but most retailers do not appear to be canceling their orders.

"Clearly, some of the reports read by Japanese consumers will not help our launch of the product," he said. "We are attempting to put the facts clearly in front of consumers and then it is up to the consumer to make his mind up."

Currency Rates

Table with columns for Cross Rates and Other Dollar Values, listing various currencies and their exchange rates as of June 3.

China Posts Narrower Trade Deficit

BEIJING — China's foreign trade picture is improving dramatically this year amid increases in textile exports and the prices of oil and gold, the official press and Western diplomats said Wednesday.

China reported a trade deficit of \$1.7 billion in the first four months of 1987, compared with a \$4.5 billion deficit in the corresponding period last year. The official press also reported that China's combined deficit in 1985 and 1986 was almost \$26 billion, slightly less than earlier estimates showing a deficit of \$14.9 billion in 1985 and \$14 billion in 1986.

A Western diplomat attributed the narrowing of the deficit to surging demand for Chinese textiles and higher world prices for oil. Those products are the country's most important exports. The official China Daily newspaper said that textile exports brought \$3 billion in export earnings in the first five months of 1987, up 40 percent from the comparable period in 1986.

The newspaper attributed the expanding demand and higher prices to an improvement in the quality of Chinese goods. Oil provided one-fifth of China's export earnings in 1985, the official press said. It said that the price slump last year to a low of about \$10 a barrel cost China \$3 billion. Industry sources estimated China's annual gold output was 65 metric tons (71.65 short tons), making China one of the world's largest producers. A Western diplomat said he believed that China had increased gold exports this year.

Figures on gold output and exports are not published in the official press. Nor is gold included in customs statistics. Gold dealers in Hong Kong said that about 15 tons of gold was shipped from China to Hong Kong last year, both legally and illegally, and that China used the colony mainly as an entrepot.

Interest Rates

Table for Eurocurrency Deposits showing interest rates for various currencies and terms.

Table for Key Money Rates showing rates for various currencies and instruments.

Table for West Germany showing interest rates for various currencies and terms.

Table for U.S. Money Market Funds showing rates for various funds.

U.S. Money Market Funds

Table for U.S. Money Market Funds showing rates for various funds.

Gold

Table for Gold showing prices for various gold-related instruments.

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Large advertisement for PEUGEOT SA, featuring the text '1987 PSA OFF TO A FAST START CAPITAL INCREASE Issue of shares with warrants' and other promotional details.

Wednesdays NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

17 Month High Low Stock Div. Yld. PE 52 Wk High Low Close Chg. Chg. %

43%	27%	CP&E	48	12	22	351	49	37%	37%	+1	+1
29%	11%	Compa	40	24	34	272	47%	26%	24%	+1	+1
24%	10%	Compa	40	24	34	272	47%	26%	24%	+1	+1
24%	10%	Compa	40	24	34	272	47%	26%	24%	+1	+1
24%	10%	Compa	40	24	34	272	47%	26%	24%	+1	+1


(Continued)

17 Month High Low Stock Div. Yld. PE 52 Wk High Low Close Chg. Chg. %	17 Month High Low Stock Div. Yld. PE 52 Wk High Low Close Chg. Chg. %	17 Month High Low Stock Div. Yld. PE 52 Wk High Low Close Chg. Chg. %	17 Month High Low Stock Div. Yld. PE 52 Wk High Low Close Chg. Chg. %							
22%	22%	Cap&E	402	12	43	31%	26%	31%	+1	+1
22%	22%	Cap&E	402	12	43	31%	26%	31%	+1	+1
22%	22%	Cap&E	402	12	43	31%	26%	31%	+1	+1
22%	22%	Cap&E	402	12	43	31%	26%	31%	+1	+1
22%	22%	Cap&E	402	12	43	31%	26%	31%	+1	+1

17 Month High Low Stock Div. Yld. PE 52 Wk High Low Close Chg. Chg. %										
22%	22%	Cap&E	402	12	43	31%	26%	31%	+1	+1
22%	22%	Cap&E	402	12	43	31%	26%	31%	+1	+1
22%	22%	Cap&E	402	12	43	31%	26%	31%	+1	+1
22%	22%	Cap&E	402	12	43	31%	26%	31%	+1	+1
22%	22%	Cap&E	402	12	43	31%	26%	31%	+1	+1

(Continued on next page)

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Wednesday's NYSE Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

12 Month High	Low	Stock	Div. Yld. PE	52 Wk High	Low	Close	Change
25 1/2	25 1/2	Amgen	2.31 9.2	25 1/2	25 1/2	25 1/2	+ 1/2
25 1/2	25 1/2	Dynalene	1.7 14	25 1/2	25 1/2	25 1/2	+ 1/2
25 1/2	25 1/2	Amgen	2.31 9.2	25 1/2	25 1/2	25 1/2	+ 1/2
25 1/2	25 1/2	Dynalene	1.7 14	25 1/2	25 1/2	25 1/2	+ 1/2

12 Month High	Low	Stock	Div. Yld. PE	52 Wk High	Low	Close	Change
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25 1/2	25 1/2	Dynalene	1.7 14	25 1/2	25 1/2	25 1/2	+ 1/2
25 1/2	25 1/2	Amgen	2.31 9.2	25 1/2	25 1/2	25 1/2	+ 1/2
25 1/2	25 1/2	Dynalene	1.7 14	25 1/2	25 1/2	25 1/2	+ 1/2

12 Month High	Low	Stock	Div. Yld. PE	52 Wk High	Low	Close	Change
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25 1/2	25 1/2	Dynalene	1.7 14	25 1/2	25 1/2	25 1/2	+ 1/2
25 1/2	25 1/2	Amgen	2.31 9.2	25 1/2	25 1/2	25 1/2	+ 1/2
25 1/2	25 1/2	Dynalene	1.7 14	25 1/2	25 1/2	25 1/2	+ 1/2

INTERNATIONAL FUNDS (Quotations by Funds Listed) 3rd June 1987

ALM MANAGEMENT	INTERNATIONAL INCOME FUNDS	ST. MANAGEMENT (UK) L.M.	THE UNIVERSAL GROUP OF FUNDS
ALM-World Fund \$ 29.84	ALM Short Term Acc. (Accum) \$ 1.042	ST-Global Growth \$ 14.21	U-World Growth \$ 15.44
ALM-World Fund \$ 29.84	ALM Short Term Acc. (Accum) \$ 1.042	ST-Global Growth \$ 14.21	U-World Growth \$ 15.44
ALM-World Fund \$ 29.84	ALM Short Term Acc. (Accum) \$ 1.042	ST-Global Growth \$ 14.21	U-World Growth \$ 15.44
ALM-World Fund \$ 29.84	ALM Short Term Acc. (Accum) \$ 1.042	ST-Global Growth \$ 14.21	U-World Growth \$ 15.44

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Wednesday's NISE Closing

Totals include the nationwide prices on the closing on Wall Street and do not reflect late trades elsewhere.

Table with columns: 12 Month High/Low, Div. Yld. PE, 52 Week High/Low, Close, Change. Lists various stocks and their performance.

NYSE High-Lows

Table with columns: NEW HIGHS 35, NEW LOWS 30. Lists stock symbols and their high/low values.

AMEN High-Lows

Table with columns: NEW HIGHS 22, NEW LOWS 14. Lists stock symbols and their high/low values.

European Air Carriers Report Strong Recovery

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Table with columns: Season High/Low, Open, High, Low, Close, Chgo. Lists various commodities and their prices.

U.S. Futures

Table with columns: Season High/Low, Open, High, Low, Close, Chgo. Lists various futures contracts and their prices.

Paris Commodities

Table with columns: High, Low, Close, Ask, Chgo. Lists various commodities and their prices.

London Commodities

Table with columns: High, Low, Close, Ask, Chgo. Lists various commodities and their prices.

London Metals

Table with columns: High, Low, Close, Ask, Chgo. Lists various metals and their prices.

Table with columns: Season High/Low, Open, High, Low, Close, Chgo. Lists various commodities and their prices.

Food

Table with columns: Season High/Low, Open, High, Low, Close, Chgo. Lists various food items and their prices.

Metals

Table with columns: Season High/Low, Open, High, Low, Close, Chgo. Lists various metals and their prices.

Livestock

Table with columns: Season High/Low, Open, High, Low, Close, Chgo. Lists various livestock and their prices.

Currency Options

Table with columns: Season High/Low, Open, High, Low, Close, Chgo. Lists various currency options and their prices.

Table with columns: Season High/Low, Open, High, Low, Close, Chgo. Lists various commodities and their prices.

Stock Indexes

Table with columns: Season High/Low, Open, High, Low, Close, Chgo. Lists various stock indexes and their values.

Commodity Indexes

Table with columns: Season High/Low, Open, High, Low, Close, Chgo. Lists various commodity indexes and their values.

Market Guide

Table with columns: Season High/Low, Open, High, Low, Close, Chgo. Lists various market guides and their values.

U.S. Treasuries

Table with columns: Season High/Low, Open, High, Low, Close, Chgo. Lists various U.S. Treasury securities and their values.

Table with columns: Season High/Low, Open, High, Low, Close, Chgo. Lists various commodities and their prices.

Dividends

Table with columns: Season High/Low, Open, High, Low, Close, Chgo. Lists various dividend-paying stocks and their values.

Spot Commodities

Table with columns: Season High/Low, Open, High, Low, Close, Chgo. Lists various spot commodities and their prices.

S&P 100 Index Options

Table with columns: Season High/Low, Open, High, Low, Close, Chgo. Lists various S&P 100 index options and their prices.

DM Futures

Table with columns: Season High/Low, Open, High, Low, Close, Chgo. Lists various DM futures and their prices.

Vertical text on the right edge of the page, possibly a page number or reference.

BUSINESS ROUNDUP

Pentagon Delays Toshiba Contracts Amid Inquiry

The Associated Press
WASHINGTON — The Pentagon has begun delaying the award of various contracts involving Toshiba Corp. of Japan pending the outcome of an investigation of alleged illegal sales by one of its subsidiaries to the Soviet Union, military officials said.

In Moscow, meanwhile, the Communist Party newspaper Pravda asserted in its Wednesday edition that a "hostile campaign" in Japan involving the alleged illegal exports of high technology was harming relations between the two countries.

"Intimidation of the Japanese public with the Soviet 'military threat' was and remains for Washington one of the favorite means of drawing Japan into American military preparations," Pravda added.

The Pentagon officials, who spoke on the condition that they not be identified, said Tuesday that they were not aware of any formal moves to suspend Toshiba as a supplier pending completion of the investigation.

"But it's fair to say there's a stall on," one of the defense sources said. "The services are not going to proceed with any major contract awards until we see what happens with this probe."

Robert Sims, the Pentagon's chief spokesman, refused to discuss the matter during a briefing. "We're looking into the Toshiba issue very closely and I have nothing for you on it," he said.

But the sources confirmed reports that the U.S. Air Force had delayed the selection of a contractor to provide \$100 million worth of lap-top computers because Toshiba is a primary bidder.

They said that the U.S. Army was withholding another contract involving a guidance system for a portable anti-aircraft missile that Toshiba originally designed.

The Pentagon first acknowledged in April that the subsidiary — Toshiba Machine Co. — and Kongsberg Vapenfabrikk, Norway's state-owned arms manufacturer, were suspected of having shipped to the Soviet Union some Western technology that could be used to make Russian submarines quieter and more difficult to detect.

The shipments allegedly included sophisticated metal-working machines that could be used to fashion an advanced type of submarine propeller.

The police in Tokyo said they suspected that Soviet intelligence was behind the operation, which would contravene an export ban by a Paris-based group set up to monitor exports of strategic goods to Communist countries. The group includes the United States and 14 of its allies, including Japan and Norway.

Toshiba Machine was barred by the Japanese government last month from trading with 14 Communist nations for one year. Two Toshiba Machine employees were arrested last week on suspicion of involvement in the sales.

Mr. Sims said in April that Japan and Norway had promised to cooperate with the United States by starting internal investigations.

Pentagon sources said Tuesday that the British government had become involved in the inquiry following the arrest of a British executive of Kongsberg and that it was helping investigate his ties to the Soviet Union.

Bankers Trust, Exxon in Japan Securities Plan

Reuters
NEW YORK — Bankers Trust New York Corp. and Exxon Corp. intend to apply for authority to establish a securities operation in Japan, Bankers Trust said Wednesday.

It said the transaction would involve Exxon's acquiring a 50 percent interest in Bankers Trust's Hong Kong-based BT Asia Securities Ltd. unit. No terms were disclosed.

Bankers Trust said BT Asia would apply to the Japanese Finance Ministry to open a Tokyo branch, which would engage in underwriting, distribution, trading and brokering of debt and equity securities.

Under Japanese regulations, if a company wishes to open a securities branch but already has a banking unit in Japan, it may apply only through an existing non-Japanese subsidiary that is not majority-owned by a financial institution.

Fujitsu-IBM Dispute Partly Solved

New York Times Service
NEW YORK — Fujitsu Ltd., the Japanese computer giant that has been locked in a dispute with the International Business Machines Corp. over software copyrights, disclosed in a recently filed prospectus that the two companies had resolved some of their disagreements.

The dispute arose nearly two years ago, when IBM accused Fujitsu of violating a 1983 agreement concerning IBM-developed operating systems, the key programs used to run computer systems. An arbitration panel intervened last year to interpret the meaning of the 1983 agreement, and bound both sides to secrecy about their negotiations.

In the prospectus for a warrant bond in London, Fujitsu said that "the parties have resolved some of the issues and have established procedures to resolve presently outstanding disputes with the involvement of members of the panel of arbitrators."

The prospectus did not specify what issues were resolved, or what additional payments, if any, Fujitsu made to IBM. Last year, the

outcome of this process," referring to the continuing arbitration on issues not yet resolved, "and its effect on the future results or operations" of the Japanese electronics giant.

In Armonk, New York, Tuesday, an IBM spokesman refused to comment on the Fujitsu prospectus, or say whether any settlement had been reached.

Late last year, Hitachi Ltd. settled a similar dispute with IBM. But the continuing Fujitsu case has long been an embarrassment for the Japanese computer industry.

Deutsche Bank to Withhold Support for VW Management

Reuters
FRANKFURT — West Germany's biggest bank has said it will withhold support from Volkswagen AG's management at next month's annual meeting because of the VW currency trading scandal, in which the auto company lost as much as \$263 million.

Deutsche Bank AG said Tuesday it would abstain from votes concerning VW's management and its supervisory board, which represents shareholders and employees, unless an auditor's report either absolving or blaming the management and board is published before the July 2 annual meeting.

Some shareholder groups have said that they will vote against management at what promises to be a heated annual meeting. If a majority of shareholders back these groups, the top management of the automaker could be dismissed.

Deutsche said it expected the results of the auditor's report on the currency fraud to be published before the annual meeting.

In a letter to its customers depositing their VW shares at the bank, Deutsche wrote: "Without knowledge of these results, we do not think we are in a position to make a suggestion for or against exoneration of the management board and supervisory board."

A strong shareholder vote against the management would empower the supervisory board to dismiss the management if it chooses, though such a move would not be mandatory.

A member of the supervisory board who is not formally exonerated at an annual meeting might have to step down.

An abstention or no-vote by banks on behalf of customers against management would in itself be a vote of no confidence.

SAS Reports 170% Increase in First-Half Pretax Profit

Special to the Herald Tribune
STOCKHOLM — Scandinavian Airlines System, the airline owned jointly by private and government interests in Denmark, Norway and Sweden, said Wednesday that its pretax earnings rose 170 percent to 605 million kroner (\$96 million) in the first half of the current fiscal year.

Earnings from airline operations, excluding revenues from the sale of aircraft, nearly doubled to 400 million kroner from 208 million kroner in the first half of fiscal 1985-1986. Including the extraordinary revenues, airline earnings totaled 630 million kroner.

SAS said group revenues totaled 10.9 billion kroner in the first half, up from 9.8 billion kroner a year earlier. The SAS group comprises hotel and catering units and Vingresor, the largest charter tour operator in Scandinavia.

SAS forecast that earnings for all of fiscal 1986-1987 would at least match the previous year's earnings of 1.5 billion kroner despite considerably higher investments in new aircraft.

Although earnings are in line with company goals for long-term profitability, SAS officials said they were pursuing negotiations to integrate the operations of SAS and Belgium's Sabena. SAS officials see cooperation with Sabena as a means of ensuring the survival of the SAS once air traffic is fully deregulated in Europe.

The president of SAS, Jan Carlzon, has told union officials within the company that any final arrangement with Sabena would be in force by Jan. 1, 1988.

For SAS, an arrangement with Sabena would mean access to Brussels airport as a hub for international and European flights that lie within a few hundred kilometers of a population of some 150 million. In all of Scandinavia, SAS has a potential customer base of only 18 million.

BUSINESS PEOPLE

Leslie Fay Hires Calvin Klein Head

By Arthur Higbee
International Herald Tribune
JOEL H. NEWMAN has left as president of Calvin Klein Industries Inc. to join the Leslie Fay Co. as vice chairman and chief operating officer.

Mr. Newman, 45, has had a steadily rising career from its beginning in the finance department of Bloomingdale's. At Leslie Fay, he will have responsibility for planning, operations, personnel and finance, the company said.

Leslie Fay, a New York-based clothing maker, made some changes to accommodate Mr. Newman.

The New York Times reports, Alan Golub, who had been vice chairman, becomes president and will continue to head Leslie Fay sportswear companies.

Mr. Golub succeeds John J. Pomerantz as president. Mr. Pomerantz remains as chairman and chief executive.

Leslie Fay has been searching for a new executive since Walter Leiter resigned in December as president and chief financial officer.

Joel Newman did a fine job at Calvin Klein Industries," said Mr. Klein, 44, vice chairman and co-owner. "We will all miss him."

Mr. Newman joined Calvin Klein in 1984 as executive vice president and was named president in 1985. Before that, he was with the Batus retail division of BAT Industries and as such was president of a Batus unit, Kohi's Department Stores. He also helped engineer the 1982 purchase of Marshall Field & Co. for Batus.

Gintel & Co. Ltd., the London brokerage that is a subsidiary of MAI International of London, has recruited John L. Langton as chief of European operations. As managing director in London, Mr. Langton, 38, replaces Bonnie D. Strauss, 34, who is returning to Gintelco Inc. in New York as a vice president.

Author of Book On Getting Rich Goes Bankrupt

Los Angeles Times Service
LOS ANGELES — Albert J. Lowry, author of the best-selling book "How You Can Become Financially Independent by Investing in Real Estate," has filed under Chapter 7 of the U.S. Bankruptcy Code.

Mr. Lowry made a fortune writing and lecturing on how to get rich in real estate. In 1981, Money magazine estimated his net worth at \$30 million.

Unlike a Chapter 11 filing, which shelters a company from creditors while it tries to reorganize, Chapter 7 means that a trustee liquidates assets, with proceeds going to creditors.

Mr. Lowry, 60, a former butcher, acknowledged earlier this year that he lost millions of dollars on real estate in the California-Nevada resort area. He blamed strict development laws there.

COMPANY NOTES

Caesars World Inc. shareholders will receive a 30 percent stake in the Los Angeles company under the latest takeover offer by the New York investor Martin Sosonoff, which is worth \$35 a share, or about \$1.11 billion. The offer slightly exceeds a recapitalization plan designed to block the takeover.


Floating Point Systems Inc., a maker of high-speed computers, said it would lay off 400 people starting June 15, in Beaverton, Oregon, and at its plant in Ireland.

NBC has been given until the end of this month by Hartz Mountain Industries to decide if it wants to move its headquarters and production studios to a site Hartz owns in Secaucus, New Jersey. NBC also is considering renovating its space in Rockefeller Center in

Canada Will Try to Bar BA's Bargain Air Fares

Reuters
OTTAWA — The Canadian Transport Commission will seek a court injunction to halt bargain fares being offered by British Airways, Transport Minister John Crosbie said Wednesday.

British Airways reduced fares last week for regularly scheduled flights between Canada and Britain without asking the commission's permission, which is required under a bilateral air agreement. The airline also continued to offer the lower fares after the commission issued a cease and desist order.



TENDER NOTICE

Preliminary to the invitation of international qualified bids, the General Petroleum & Mineral Organization, "PETROMIN", invites manufacturers of chemical additives to submit prequalification applications to provide PETROMIN's subsidiaries and factories with quantities required for the blending of about one million barrels of Lubricants and Greases for use by petrol, diesel, and marine engines as well as other industrial machinery. All materials supplied should conform to international standards and specifications.

Conditions for Prequalification:

THE PREQUALIFYING COMPANY SHOULD:

1. Be the original manufacturers of the chemical additives.
2. Have research and development facilities and capability in the field of processing chemical additives to cope with the developing international qualifications.
3. Present proof of his experience and evidence of his activities in this field during the last five years as a minimum.
4. Undertake to carry out at his expense, in co-ordination with PETROMIN, performance tests using PETROMIN's base stocks of "LUBREF" and submit the required certificates testifying that they conform to international qualifications such as those of the American Petroleum Institute. They should also obtain, in co-ordination with Petromin, attestation certificates from manufacturers of machinery as to the high quality of the various Lubricants and Greases.
5. Initially undertake to submit proposed chemical formulations up to the level of the required performance and also the results of quality performance tests using base stocks similar to LUBREF's Lubricants as shown by computer simulations.
6. Undertake to provide after-sale services in connection with improving the standard and level of performance of the Lubricants to cope with developments in this field.
7. Submit a copy of their constituting by-laws and a statement of their financial position for the last two years.
8. Should not be boycotted according to Saudi Regulations.

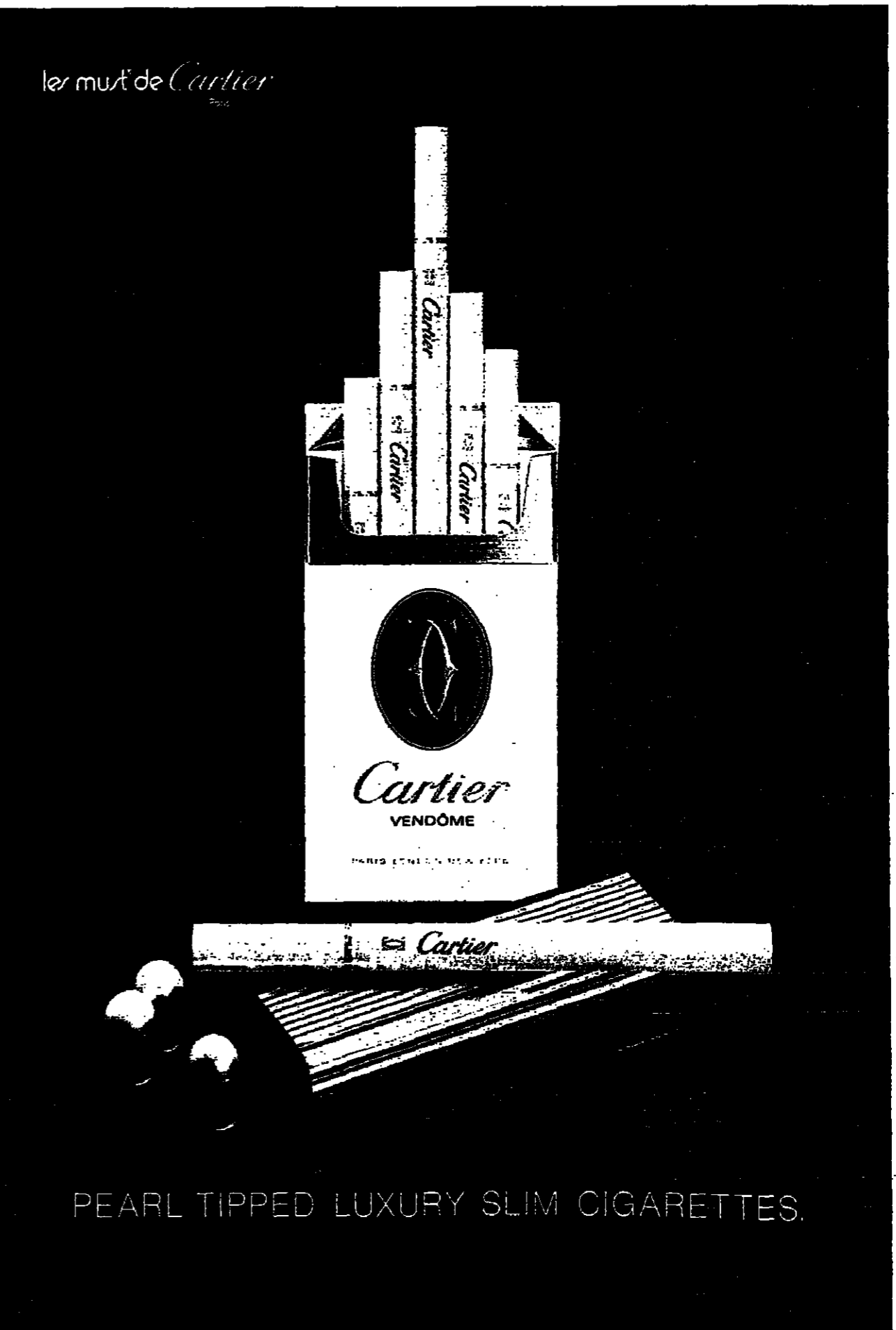
All prequalification applications should be submitted to the General Petroleum & Mineral Organization, "PETROMIN", Riyadh 11189, Kingdom of Saudi Arabia, Fax No. 4792849, Telex No. 401058 S.J. (401490) - (402802) - (401615) S.J. in sealed envelopes addressed as follows:

"Prequalification for Supply of Chemical Additives"
 Attention: Legal Advisor / Faisal Al-Jarba
 All enquires should also be sent to the same address.

The last date for submitting applications is Saturday the 1st of Dhul Quida corresponding to 27/6/1987.

Only companies and organizations qualified in accordance with the above conditions will be invited to tender.

le mur de Cartier



PEARL TIPPED LUXURY SLIM CIGARETTES.

JPL 100 1520

Wednesdays AMEX Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.

Table with multiple columns showing stock prices, including AMEX Closing, High, Low, and various stock symbols like A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z.

Table with multiple columns showing stock prices, including High, Low, and various stock symbols like A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z.

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Table with multiple columns showing stock prices, including High, Low, and various stock symbols like A, B, C, D, E, F, G, H, I, J, K, L, M, N, O, P, Q, R, S, T, U, V, W, X, Y, Z.

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Floating-Rate Notes

Table showing floating-rate notes for various currencies including Dollars, Pounds Sterling, and Deutsche Marks.

Weekly net asset value

Tokyo Pacific Holdings N.V. on June 1, 1987: U.S. \$208.58. Listed on the Amsterdam Stock Exchange. Information: Pierson, Hending & Pierson N.V., Herengracht 214, 1016 BS Amsterdam.

Reaching More Than a Third of a Million Readers in 164 Countries Around the World. Herald Tribune

CURRENCY MARKETS

Dollar Steadies but Dealers Are Wary

LONDON — The dollar steadied Wednesday after its nosedive the previous day, helped slightly by late European trading...

London Dollar Rates table with columns for currency, bid, and ask prices.

by the U.S. Treasury secretary, James A. Baker 3d that he foresaw no change in U.S. monetary policy under Alan Greenspan...

Greenspan Sees No Recession Before '88 Vote

The Associated Press

NEW YORK — Alan Greenspan, nominated Tuesday to succeed Paul A. Volcker as Federal Reserve chairman...

VOLCKER: A Crisis Manager Who Tamed Inflation, Aweed World Markets

(Continued from first finance page) Volcker, a crisis manager who tamed inflation and aweed world markets...

Mr. Volcker, a crisis manager who tamed inflation and aweed world markets...

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FED: Greenspan Arrives at Crucial Time With Faith in the Free Market

(Continued from Page 1) The Volcker departure as endangering the integrity of the financial system and increasing the dangers to the world economy...

Mr. Greenspan — who once said, "All reform begins in academia..."

over whether the dollar should be defended or allowed to sink...

defense of the dollar would give way to a more free-market approach...

CHRONOLOGY: Volcker Saw Reagan's Silence as Lack of Enthusiasm

(Continued from first finance page) Volcker saw Reagan's silence as a lack of enthusiasm...

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Wednesday's OTC Prices NASDAQ prices as of 3 P.M. New York Time

Table of OTC prices for various stocks including ABC, ASK, AST, etc.

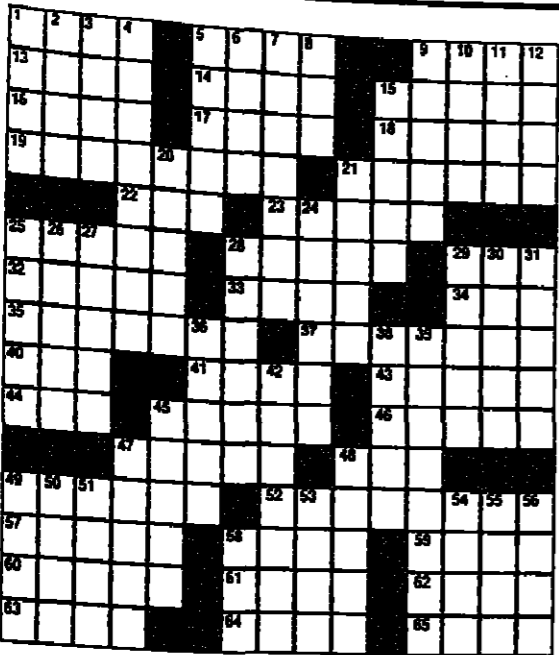
Table of stock prices for various companies including American Express, Amstar, etc.

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ACROSS 1 Interstices 5 Guffaw 9 Neil Simon creation 13 Beginning of a Porgy song 14 Script direction 15 Any or some follower 16 Dippy or dotty 17 Acarid 18 Minor Prophet 19 Feature for Bismarck? 21 Feature for the O woodsman? 22 Rickles 23 A Tatan 28 Mall component 29 Georgia, e.g. - Abbr. 32 Dens 33 Hardy girl 34 Article 35 Feature for a Romeo? 37 Feature for a rebel? 40 A First Lady's monogram 41 Old English couns 43 Lascivious 44 Kind of curve 45 Plantiffs 46 Have - for news



TO BETTER GO HOME, IF I GET TOO GROUNDED, I'LL GET GROUNDED.

JUMBLE THAT SCRAMBLED WORD GAME by Henri Arnold and Bob Lee. Includes a grid of letters and the words LESORO, CASHO, ATTRYN, and SIPCLE. Answer: A BUNCH OF FLOWERS MAKES.

WEATHER table with columns for EUROPE, ASIA, AFRICA, LATIN AMERICA, NORTH AMERICA, MIDDLE EAST, and OCEANIA. Lists high and low temperatures for various cities.

THURSDAY'S FORECAST - CHANNEL: Cheery. FRANKFURT: Rainy. MADRID: Cloudy. PARIS: Showers. TOKYO: Rainy.

PEANUTS



BLONDIE



BEETLE BAILEY



ANDY CAPP



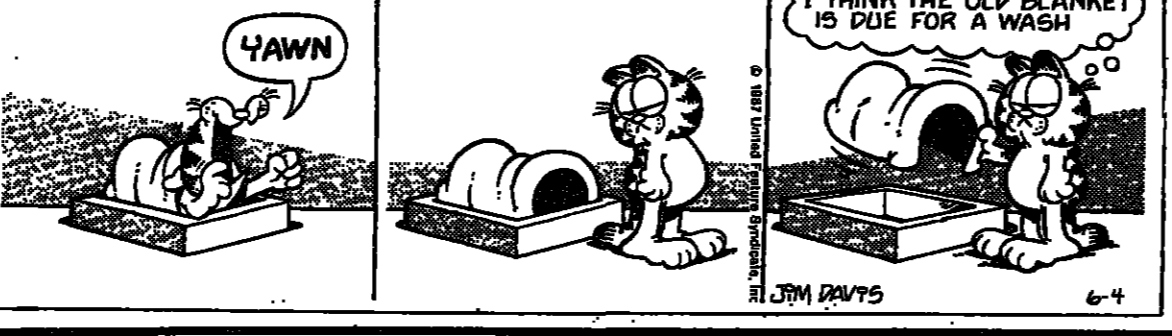
WIZARD of ID



REX MORGAN



GARFIELD



BOOKS

THE PARIS EDITION: The Autobiography of Waverley Root 1927-1934. Edited and with an introduction by Samuel Abt. 208 pages. \$16.95. North Point Press, 850 Talbot Avenue, Berkeley, Calif. 94706.

Solution to Previous Puzzle. A grid with words like CHAIM, TRAP, AERO, HANSA, HOSE, FIGURE, INACRE, CRECHE, ENE, ORLON, EAKER, etc.

BRIDGE

By Alan Truscott. A MAJOR element in a slam bidding theory concerns the strength of the suit. When two or three possible trump suits are available, the one with the queen and the jack, or at least one of those cards, should be selected.

BRIDGE table with columns for WEST, EAST, SOUTH, NORTH. Includes scores and card counts.

World Stock Markets

World Stock Markets table showing closing prices in local currencies for June 3. Lists markets like Amsterdam, London, Hong Kong, Frankfurt, Zurich, etc.

Stock market tables for Tokyo, Seoul, Taipei, and other Asian markets. Includes columns for High, Low, Close, and Change.

Vertical text on the right edge: makers D., 26-113, SCOREBO, Transitions.

SPORTS

Lakers Dazzle Celts, 126-113, in Opener

By Roy S. Johnson
New York Times Service
INGLEWOOD, California — They had been the best team in the National Basketball League's regular season, which started more than seven months ago, and they have dominated in the playoffs. Nothing changed Tuesday night.

The Los Angeles Lakers won the opening game of the NBA's championship series, defeating the hobbled and tired Boston Celtics, 126-113, before a raucous sellout crowd at the Forum.

Game 2 will be played here Thursday night, with the next three contests scheduled for Boston Garden, where the defending champion Celtics have won 93 of their last 96 games.

Inspired by two of the league's most powerful weapons, James Worthy and Ervin Magic Johnson, the Lakers turned the opener into a laughing matter. They broke to a 9-0 lead, never trailed and led by as many as 21 points in each half.

Boston pulled to within 103-90 on an offensive rebound basket by Kevin McHale 3:24 into the fourth quarter, but the Lakers went on an 11-1 tear in just under three minutes, building a 114-91 lead and forcing Boston's coach, K.C. Jones, to concede.

"What you saw out there was totally spectacular," Jones said of the Lakers. "It took both teams some time to get started, but that was when Magic and James said: 'Enough of this. Let's get out and run and get this thing over with.' After that it was a romp."

Worthy, who led the Lakers with 33 points and 8 assists, said afterward, "We're confident, more confident than we've ever been." Johnson added 29 points and 10 assists.

Boston's Larry Bird led the game with several minutes to go after scoring 32 points, hitting his last 11 shots of the third quarter but none in the final period.

Besides the Celtics' health, the most important pregame factor had been the unpredictable effect on the Lakers of their eight-day layoff — that was how long it had been since they clinched the Western Conference title by sweeping Seattle.

But after a hesitant start by both sides, the Lakers looked as if they'd finally unleashed their sneaker. It took each team three possessions of sloppy play before Kareem Abdul-Jabbar, the 40-year-old Laker center, broke the ice with what else? — a short skyhook. It was a simple, but fitting beginning.

Before the contest was a 23-minute old, Los Angeles had a 2-12 lead, with 13 points coming thanks to its vaunted fastbreak. By the end of the first period, the Lakers had outscored Boston, once one of the league's most efficient running teams, by 15-4 on fastbreaks and

had a 16-6 edge in rebounds (their overall margin would be 47-32). Moreover, McHale, who came into the game with a tender right ankle, left the floor with Ray McChalor, the overworked Celtic trainer. McHale did not return in the half, but was in the starting lineup after intermission.

His absence, combined with the Celtics' poor start, forced Jones to reach deep into his bench earlier than he usually does. Bill Walton, who has been largely unable to play because of a tender ankle, appeared in the first half, as did reserves Sam Vincent, Darren Daye and Jerry Sichting.

What has made the Lakers so successful this season is that they have also added an able half-court game to their running attack; when teams force them into a slow-down game, they don't lose their effectiveness.

That was apparent after the start of the second period, when they matched the Celtic efforts to affect the pace of the game. When Worthy spun past the inexperienced Daye for a 5-point play, Los Angeles had widened its lead to 42-30. That ignited another explosion: The Lakers scored 9 straight points to build their biggest lead of the half, 51-30.

Worthy, as he has been throughout the playoffs, was unmatchable. Quick, savvy and skillful, he handled four defenders in the first half. He scored 23 points, converting 11 of his 13 field-goal attempts.

Johnson was also too much for the Celtics. He scored 11 of his 17 first-half points in the first period but also finished the half with eight assists and five rebounds.

The only effective Celtic was Bird, who scored 10 of Boston's final 12 points of the half. But that was only enough to make it interesting: Boston trailed, 69-54.

Most surprisingly, the Lakers were overwhelming the taller Celtics under the boards. They built a 27-12 margin in that category. It was little wonder Los Angeles led again by as many as 21 points, at 81-60, before Boston made its most effective comeback effort to that point: With Danny Ainge hitting three 3-pointers and Bird continuing his shooting spree — the last 14 points in the third period, most by long-range jumpers — the Celtics sliced the deficit to 95-83 with just under two minutes left in the period.

But it was Worthy and Johnson again who quashed the rally. They combined for 17 points in the third quarter (including the period's final 6 points) to give the Lakers a 101-85 cushion going into the final 12 minutes.

"I was disappointed in our effort," said Bird. "We didn't get rebounds, we didn't get back on defense and we let them make layups. This isn't Detroit or Atlanta, we're playing."



With a firm grip on Robert Parish, Magic Johnson and James Worthy (42) excelled as the Lakers throttled Boston.

Dawson Awesome as Cubs Blow Past the Astros, 13-2

Compiled by Our Staff From Dispatches
CHICAGO — Mike Mason, obtaining by the Cubs last month from the Texas Rangers, is the latest Chicago pitcher to delight in the advantages of playing with Andre Dawson.

Mason benefited from Dawson's second straight explosive performance and pitched a three-hitter through seven innings Tuesday in Chicago's 13-2 rout of Houston.

"I've never seen anybody as dominating offensively as Andre Dawson," said Mason, who played with Dawson last year.

Dawson hit two home runs in a game for the second consecutive time, going 4-for-5 and driving in seven runs. He singled in a run in the first inning, hit a two-run homer in the third off Nolan Ryan, a two-run triple in the fifth and a two-run homer in the seventh.

In two games against the Astros, Dawson went 6-for-10 with four home runs and 12 RBIs. "I don't even know how to describe it," said Gene Michael, Chicago's manager. "Nobody ever does that."

A former Montreal Expo who signed with the Cubs as a free agent in the spring, Dawson — with 53 RBIs and 18 homers — is regaining his place among the dominant players in the National League.

"I'm having fun," he said, "and I want it to continue that way." Pirates 4, Braves 1: In Atlanta, on a two-hitter, Rickey Henderson beat the Braves for the ninth straight time to end Pittsburgh's six-game losing streak. Renschel has not lost to Atlanta since April 28, 1979.

Becker, Wilander, Mecir Advance Easily

The Associated Press
PARIS — Boris Becker, Mats Wilander and Miloslav Mecir advanced to the semifinals of the French Open tennis tournament Wednesday with straight-set victories.

Becker, the second-seeded West German, ousted American Jimmy Connors, 6-3, 6-3, 7-5. In his first semifinal of the clay-court grand-slam tournament, Becker will meet Sweden's Wilander, the two-time French champion and No. 4 seed who overpowered the remaining French hope, sixth-seeded Yannick Noah, 6-4, 6-3, 6-2.

Mecir, the fifth-seeded Czechoslovak, looked just as strong after a shaky resumption of the match against his unseeded compatriot, Karel Novacek, winning by 7-6, 6-1, 6-2. Mecir will play top-seeded Ivan Lendl, the defending men's champion, in Friday's semifinals.

The women's semifinals on Thursday will be a contrast in age. Second-seeded Steffi Graf of West Germany and seventh-seeded Gabriela Sabatini of Argentina, both 17, will meet in one; the other will pit the defending champion Chris Evert, 32, and the 30-year-old top seed, Martina Navratilova.

Becker, 19, has won Wimbledon the last two years but never a clay-court tournament. So far in the French Open, where he is seeded second to Lendl, he has shown new patience, staying on the baseline longer instead of repeatedly charging the net.

was a rapid exchange of volleys, with Connors getting the point when Becker missed a dropshot. The two then stood at the net and slapped hands.

After Becker had gained game point, Connors forced a deuce with a running forehand volley that punned Becker, who was on the clay after tumbling to make his previous shot; Connors had to scramble from his knees to get the winner away. But Becker saved the game for 1-0.

The two exchanged breaks in the seventh and eighth games. Connors held for 5-5, but Becker held in the 11th game on two ripping shots and two errors. In the 12th, Connors saved two match points, but Becker won when Connors hit a backhand long.

Wilander silenced the capacity center court crowd by dominating Noah, the winner here in 1983, through the first two sets.

Noah steadied at the start of the third, going up 2-1 on serve. But Wilander, the French titlist in 1982 and 1985, broke in the fifth and seventh games for a 5-2 lead.

Noah had a 30-15 lead on Wilander's serve in the seventh game but then netted a backhand and sent another backhand long, and Wilander won with a backhand volley behind a strong first serve. Mecir had held a 4-2 first-set

Baseball Roundup

Phillies 7, Giants 6: In San Francisco, a three-run homer by Lance Parrish capped a five-run fifth, and Chris James contributed three RBIs to spark Philadelphia.

Brewers 14, Royals 3: In the American League, in Milwaukee, Glenn Braggs had two two-run singles to pace a 15-hit attack that brought the Brewers their fourth straight triumph. Rookie Chuck Crim, making his first major-league start, allowed six hits, struck out two and walked none through six innings to pick up the victory.

Red Sox 6, Twins 5: In Boston, Bill Buckner's two-run single with two out in the ninth scored Wade Boggs from third and Mike Greenwell from second, rallying the Red Sox. Minnesota starter Juan Berenguer tied a franchise record by walking nine batters, three with the bases loaded, in his 3 1/2 innings.

White Sox 15, Rangers 5: In Arlington, Texas, Greg Walker drove in five runs with a grand-slam home run and a single to highlight Chicago's rout of Texas. Walker is

Favorite, Cautchen Win Epsom Derby

The Associated Press
EPSOM, England — Reference Point, the 6-to-4 favorite ridden by U.S. jockey Steve Cautchen, was the wire-to-wire winner of the £450,000 (374,000) English Derby here Wednesday.

Reference Point was timed in 2 minutes, 33.9 seconds — one-tenth of a second slower than the hand-timed record set by Mahmood in 1936 for the 1 1/2-mile (2,413-meter) race. Reference Point held off Most Welcome by a length and a half; it was another three-quarters of a length back to Bellotto.

The three-year-old son of Mill Reef, the 1971 winner, was pressured by Most Welcome in the final furlong, but picked up the pace to give Cautchen his second victory in the English season's premier race. The Kentucky-born rider won aboard Slip Anchor two years ago.

Most Welcome, a 33-to-1 shot, was ridden by Paul Eddery, whose brother Pat was aboard the 11-to-1 Bellotto. Trained in England by Henry Cecil, Reference Point — who two months ago had an operation to correct a sinus condition — hit the front at the break. Irish-trained, English-bred and French-trained Saajid, rated as the prime challenger, failed to respond as the favorite set and maintained a blistering pace.

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Tennis

French Open

MEN
QUARTERFINAL SCHEDULE
June 7: France vs. F.H. (Auckland, New Zealand)

Tennis

Quarterfinal Schedule

MEN
QUARTERFINAL SCHEDULE
June 7: Australia vs. (Auckland, New Zealand)

Tennis

French Open

MEN
QUARTERFINAL SCHEDULE
June 7: France vs. F.H. (Auckland, New Zealand)

Tennis

French Open

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ART BUCHWALD

Hamlet Goes to Court

WASHINGTON — I met a lawyer at a party the other day who looked familiar. "Don't I know you?" I asked him.



Art Buchwald

"Maybe you saw me on Channel 4 when I defended Alfredo Portman for inside trading on Wall Street. I had a 4.3 TV rating the day the verdict came in."

That the prosecutor is driven by political ambition and is vindictive beyond any normal bounds of justice. If I am handling a civil suit I charge that the other side has no case and should be fined for wasting the taxpayers' money. In legal theater it is not what you say but how long you can get on TV that really counts.

Windsor Car Up for Sale

LONDON — A 1936 Canadian-built Buick motor car, one of a pair ordered for the Duke of Windsor and Wallis Simpson, the woman he gave up the throne of England for, will be auctioned June 22 at Sotheby's.

The Art of Snaring Guests for Talk Shows

By Joanne Kaufman New York Times Service HERE is a brief list of what people have done in an attempt to be booked on NBC's "Tonight Show": Sent flowers, T-shirts, handmade Johnny Carson dolls and money (it was returned).



Marie MacLean



Emily Boxer



Gail Yancosek

To handle the ever-increasing appetite of news and entertainment interview shows, there is a caste of workers known in the industry as bookers, although their official titles vary from talent coordinators to associate producers, whose job is to assure a constant supply of timely guests.

Bookers trying to win them all: above, Marie MacLean of "Nightline"; top right, Emily Boxer of "The Today Show"; and Gail Yancosek of "Live at Five."

By the day's headlines; she is looking for experts who, at 11:30 P.M., will be able to analyze stories that broke at, say, 4 P.M. Worst of all are the occasions when stories break during the airtime.

Bookers are frequently persistent — supplicants eager for airtime. "Certain rock groups who call to be on the show just wouldn't work for us," says Gail Yancosek, who co-produces "Live at Five."

"We've lost people to ABC and CBS," says Emily Boxer of "The Today Show." "Art Buchwald's son was a producer at ABC, so Buchwald did 'Good Morning America.' When that happens, you cry a lot. It offends every competitive bone in my body. I do like to win them all."

won't come on unless the director or writer comes on, too. So, we'll have them on." But, says Friedman, "we don't offer caviar."

"Sometimes, people will say they won't talk about their divorce and we certainly respect that," says Shirley Wood of "The Tonight Show." "This isn't a marriage counseling show. It's not fair to make someone uncomfortable. If they're uncomfortable, we're the losers."

Bookers can also spark political imbroglios. "We've done shows on Iran and Iraq," says "Nightline's" Heather Vincent, "and because they're nations at war, their representatives won't appear together and we will certainly respect that. But we avoid 'deals' at any cost and have lost guests because of it."

Logistics frequently present a bigger problem for bookers than the vagaries of guests. If there's a key vote on the floor of the House, a Congressman may be loath to break away for a segment on "MacNeil-Lehrer."

It isn't enough simply to locate a guest who's willing to adjust takeoffs and landings to the needs of a TV program, to come up with the individual who is the indisputable expert on Sri Lanka or to pin down the movie star who's just written a tell-all autobiography and is willing to talk even more on the air.

"The person has to be articulate, knowledgeable and passionate," adds "Nightline's" Marie MacLean. "And trying to meet those qualifications you may have to talk to 10 people before you get the one you want."

Double Bed Shipped To Venice for Reagans

A double bed is being transported from Portugal to Venice for use by President Ronald Reagan and his wife Nancy during their stay in Italy. Mrs. Reagan's spokeswoman said Tuesday.

Meryl Streep is to play Lindy Chamberlain in a film about Australia's "dingo murders" to be presented at next year's Cannes Film Festival, a film company spokesman said Wednesday in Sydney. The film will be based on the book "Evil Angels" by the Australian author John Bryson, who conducted an inquiry into the case that Lindy Chamberlain was innocent of the murder of her nine-week-old daughter Azaria. The film will be directed by Fred Schepisi. Meanwhile Lindy Chamberlain said she would continue the fight to establish her innocence of the accusation that she cut her baby daughter's throat at an Ayers Rock camping site in central Australia.

A member of the gang that stole \$26.3 million (now about \$46 million) worth of gold bars in Britain's biggest robbery was married in prison Tuesday. Michael McAvoy, 35, is serving a 25-year sentence at Leicester Prison for his part in the Nov. 26, 1963, robbery of a Brink's-Mat warehouse at London's Heathrow Airport. After the robbery, his bride, Kathleen, 40, who had already been using the surname McAvoy, left the prison in a white Rolls-Royce and returned later in her wedding dress to meet her husband during normal visiting hours.

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